



Collective Bargaining

**MEAT-PACKING
INDUSTRY**

Bulletin No: 1063

UNITED STATES DEPARTMENT OF LABOR
Maurice J. Tobin - Secretary

BUREAU OF LABOR STATISTICS
Ewan Clague - Commissioner

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Letter of Transmittal

UNITED STATES DEPARTMENT OF LABOR,
Bureau of Labor Statistics,
Washington, D. C., February 27, 1952.

The Secretary of Labor:

I have the honor to transmit herewith a report on labor-management agreement provisions and practices in the meat-packing industry which is based primarily upon an analysis of fifty agreements negotiated by unions and employers in the industry.

This report was prepared in the Bureau's Division of Wages and Industrial Relations, by and under the direction of Anna Bercowitz, and by William S. Gary, Dorothy R. Kittner, and Eleanor R. Lehrer.

Ewan Clague, Commissioner.

Hon. Maurice J. Tobin,
Secretary of Labor.

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Collective Bargaining in the Meat-Packing Industry

SUMMARY

Meat-packing establishments, centered largely in the Midwest, are classified into three general groups: The large national packers--primarily the so-called "Big Four"; ^{1/} the independent medium-size packers whose products are marketed over a smaller region; and the small local packers.

Approximately 90 percent of the production workers in the industry work under union contracts negotiated almost exclusively with the Amalgamated Meat Cutters and Butcher Workmen of North America (AFL) and the United Packinghouse Workers of America (CIO). For the past decade, these two unions together with the National Brotherhood of Packinghouse Workers (Confederated Unions of America, IND.) have negotiated master agreements with some or all of the "Big Four" packers, who set the collective bargaining pattern in the industry. Recently, the two major unions entered into a mutual aid pact not to conclude a contract with the "Big Four" without full discussion of common problems.

A large proportion of the labor force in the industry is unskilled or semiskilled. In fact, about 20 - 25 percent of the workers are found in the common labor group alone.

An analysis of 50 collective bargaining agreements (including those negotiated with the "Big Four"), representing almost two-thirds of the production workers in the industry, shows that workers in this industry have attained many significant benefits. Ninety percent of the workers in the study are guaranteed a weekly wage, commonly for 36 hours, to offset the fluctuation in employment resulting from the irregularity of the flow of livestock. The 36-hour pay in most cases includes premium pay for overtime, Sunday work, holiday pay, and pay for clothes-changing time. Workers in three plants of the Hormel Co. are guaranteed an annual wage, rare in any industry.

Virtually, every worker in the study is eligible for 3 weeks' vacation, generally after 15 years' service, as well as 8 paid holidays, uncommon in most industries. About 85 percent are granted paid sick leave benefits based, in almost all cases, on length of service. In addition, three-fourths of the workers are eligible for dismissal pay if laid off permanently because of the closing down of a department.

Most of the workers also receive a number of other benefits such as pay for clothes-changing time, time spent in preparing and repairing tools, and for rest periods. Generally, they are also furnished such items as tools, equipment, outer work clothes, or are given monetary allowances for the purchase of these articles.

^{1/} Armour, Swift, Cudahy, and Wilson.

On the other hand, the agreements show that health, insurance, and pension plans are not commonly incorporated in meat-packing agreements. A number of large packers, however, do provide for some welfare benefits as part of their company-wide program.

Few agreements contain specific measures safeguarding the employees' health and safety. The large packers have, however, introduced new safety programs in recent years which have cut down the frequency and severity rate of accidents.

The majority of workers are covered by agreements which do not go beyond the minimum statutory union security provisions, namely, sole bargaining. Under this type of security, the union is recognized as the sole bargaining agent for all workers, members and nonmembers. These provisions are usually strengthened by irrevocable check-off clauses.

Because of the complexity of meat-packing operations, the wage structure is intricate. It is further complicated by separate rates for the same job classifications for male and female workers, by geographical differentials, and by the concentration of jobs and workers at the common labor rate. A Meat-Packing Commission established by the National War Labor Board during World War II (1945), after a 2-year study of these problems, recommended a simplification of the job classifications and of the wage system. These recommendations were adopted by most of the larger packers and are currently effective.

Geographic differentials have been narrowed, and efforts are being made to adjust rates for male and female workers in the same job classifications.

In an effort to reduce the area of conflict as much as possible, the grievance machinery is clearly defined. The "Big Three" agreements provide for permanent arbitration.

UNION AND MANAGEMENT ORGANIZATIONS

Development of Union Organization

Butchers have been organized into unions from practically the beginning of the combination of slaughtering and meat packing into one industry in the late 1860's. They experienced a succession of gains and setbacks in negotiating collective-bargaining agreements for almost three-quarters of a century before they finally met with sustained success. Time after time, organized workers, particularly in Chicago, the most important meat-packing area, struck for and won wage increases and a shorter workday, but usually lost these gains within a few months.

At first, workers in the industry were organized into local craft groups, especially in Chicago. During the 1870's, a number of these independent local unions joined the Knights of Labor and formed four separate organizations of cattle and sheep butchers, hog butchers, sausage makers, and meat cutters.

With the decline of the Knights of Labor, the four separate butcher unions in 1896 decided to amalgamate into one national organization. In July of that year, 11 representatives from unions in 7 cities met in Nashville, Tenn. and formed the Amalgamated Meat Cutters and Butcher Workmen of North America (AMCBW). On January 22, 1897, the union was granted an industrial charter by the American Federation of Labor to organize workers in the production of meat products; its jurisdiction ranged from slaughtering and processing plants to butchers in retail stores.

The union's strength was sufficiently formidable by 1904 to seek formal recognition. In furtherance of its objective as well as to obtain increases in wage rates, the union called its first national strike. Sixty thousand workers responded, 25,000 in Chicago alone. Union recognition on a national scale was granted. Disputes over application of the terms of the strike settlement led to another walkout late in 1904. The packers recruited immigrants and Negroes to replace the strikers and the strike was lost. The union lost its standing in the big packing centers, but lingered on in some small independent packing plants. It turned more and more to the organization of butchers in retail shops.

Except for the negotiation of the first closed-shop agreement in the industry with John Cudahy Packing Co. at Louisville, Ky. in 1905, 2/ little headway was made for some years. As late as 1916, union membership in the AMCBW was only 7,500.

Participation by the United States in World War I (1917-18) brought plant expansion and the employment of many new workers. With the aid of the Stockyards Labor Council set up at the time by the AFL's Chicago Federation of Labor, the Amalgamated recruited many of these new workers.

To avoid interruptions in supplies essential to the successful prosecution of the war, the Government, in 1917, negotiated an agreement with the larger meat packers which provided that employees would be granted the right to join unions of their own choosing and that unsettled labor disputes would be adjusted by a government administrator. As a result, membership in the Amalgamated expanded rapidly.

Later that year, the President appointed Federal Judge Samuel Alschuler as administrator to settle a dispute with the "Big Five" packers 3/ arising from union demands for better working conditions and higher wages to meet rising prices. Judge Alschuler's first general award, effective May 5, 1918, set a pattern which was followed in agreements with independent packers. The award granted (1) a basic 8-hour workday; (2) compensation at premium rates for weekly overtime work and for work on Sundays and holidays; (3) paid 20-minute lunch periods on three 8-hour shift operations; (4) wage increases; and (5) equality of wage rates for male and female employees

2/ Amalgamated Meat Cutters and Butcher Workmen (AFL), The Butcher Workman, July 1949 (p. 5).

3/ Armour, Swift, Cudahy, Wilson, and Morrell.

doing the same class of work. 4/ No changes were recommended, however, in the 40-hour weekly guarantee effective at the time, which the employers requested be correspondingly reduced in line with the reduction of the workday from 10 to 8 hours. A 45-hour weekly guarantee in plants of Swift and Company was reduced to the prevailing 40-hour guarantee to conform with other plants.

By 1921, the Amalgamated membership had grown to 100,000. Dissension and factional struggles split the union into several competing groups. Upon expiration of the arbitration agreements (negotiated during the war) on September 15, 1921, the "Big Five" refused to continue to negotiate with the union. In December 1921, the union called a Nation-wide strike, its first major stoppage since 1904. It sought to maintain the 8-hour day, time and a half for overtime, seniority rights, a guaranteed workweek, and other gains in working conditions, many obtained for the first time during the wartime control of the industry. 5/ Despite inner union factionalism and unemployment, about 45,000 workers in plants in 13 cities responded. 6/ After 2 months, the strike ended in defeat. Although the union again failed to secure recognition in plants of the "Big Five", most of the wartime gains in working conditions were maintained. Torn by increased internal strife, the union in 1923 shrank to its prewar stature of fewer than 10,000 members. 7/

Meanwhile, other unions which had been organized by the major companies in 1921, acceded to wage reductions. 8/ These company unions, called "Employee Conference Boards" or "Employee Representation Plans", replaced the AMCBW in plants of the "Big Five" during the mid-1920's, and covered probably half of the industry's 200,000 workers. 9/ The AMCBW was able to negotiate agreements in only a few communities. Its membership remained at a low level until the early 1930's (approximately 13,000 members in 1930).

As in many other industries, enactment of the National Industrial Recovery Act in 1933 and the passage of the National Labor Relations Act in 1935 again stimulated the growth of trade-unionism in the industry. During

4/ In the Matter of the Arbitration of Six Questions Concerning Wages, Hours and Conditions of Labor in Certain Packing House Industries, by Agreement Submitted for Decision to a United States Administrator. Chicago, Ill., April 30, 1918, 16 pp.

5/ Patrick E. Gorman, President, "The Amalgamated Meat Cutters and Butcher Workmen of North America", Labor Information Bulletin, U. S. Department of Labor, Vol. 7, No. 8, August 1940 (pp. 5 and 6).

6/ Selig Perlman and Philip Taft, History of Labor in the United States, 1896-1932, 1935 (p. 500).

7/ Leo Wolman, Ebb and Flow in Trade Unionism, National Bureau of Economic Research, New York, 1936 (pp. 184-185).

8/ Lewis Corey, Meat and Man, 1950 (p. 287).

9/ Amalgamated Meat Cutters and Butcher Workmen (AFL), Report of Proceedings of the Twelfth General Convention, 1926 (p. 58).

this period, in addition to the AMCBW, 6 "so-called" workers' unions also solicited members in Chicago. When, however, the National Recovery Act was declared unconstitutional in 1935, the company unions began to disintegrate and disappear. 10/

Following the formation of the CIO, representatives of some local meat-packing unions affiliated with the AFL in various parts of the country met on October 24, 1937, and formed the Packinghouse Workers Organizing Committee (PWOC), affiliated with the CIO. The committee's main organizing activities were concentrated on the major packing plants.

By 1940, the AMCBW and the newly formed PWOC were both fairly well established and had succeeded in entering into collective bargaining agreements with some of the plants of the "Big Four" (Armour, Swift, Cudahy, and Wilson) as well as with other large independent packers.

On October 14, 1943, the PWOC was dissolved and the United Packinghouse Workers of America (UPWA) was organized as an international union of the CIO. At that time, the AMCBW claimed membership of about 100,000; the UPWA, about 80,000. Since World War II, the two major unions have represented the bulk of the industry's workers.

In addition to these two international unions, a third union has negotiated agreements with one of the major meat-packing companies as well as with several independent packers. It was organized following the dissolution of company unions. Until 1945, it was known as the International Brotherhood of Swift Employees. It is now the National Brotherhood of Packinghouse Workers of America (NBPW), affiliated with the Confederated Unions of America (CUA). In March 1949, it claimed 19,000 members in meat packing and other food industries. 11/

The Bargaining Unit Since World War II

Present day collective-bargaining relations in the industry date back to 1941. Prior thereto, negotiations were conducted on a plant-by-plant basis. Each plant of each of the big packers bargained separately and signed an individual contract. In an attempt to stabilize wages and to eliminate wage competition, the unions began to press for bargaining on a company-wide basis. Since 1941-42, each of the "Big Four" packers has negotiated master

10/ Amalgamated Meat Cutters and Butcher Workmen (AFL), Synopsis of Proceedings of the Fourteenth General Convention, 1936 (p. 6).

11/ Testimony of Don Mahon, President of the National Brotherhood of Packinghouse Workers (CUA), at the hearings before a special subcommittee of the Committee on Education and Labor, House of Representatives, 81st Cong., 1st Sess. on H. R. 2032, a Bill to Repeal the Labor Management Relations Act of 1947, etc., March 7-21, 1949 (p. 694).

agreements covering those of its plants represented by the union which had established its bargaining rights through National Labor Relations Board representation elections. The agreements are fairly uniform except for certain provisions, such as seniority, which are sometimes modified by local agreement. These local provisions are, however, subject to approval by the International unions. Patterns established by the "Big Four" are usually reflected rapidly in the contracts negotiated with the independent packers.

The first of the "Big Four" master agreements was signed in 1941 by Armour and Cudahy with the FWOC. Master agreements, effective August 1942, were subsequently negotiated by Swift with FWOC, AMCEW and the NBPW (IND.), and by Wilson with the FWOC. The AMCEW signed its first master agreement with Armour in 1943.

By 1949-50, the UPWA had negotiated master agreements with Swift, Armour, Cudahy, and Morrell covering more than 50 plants; the AMCEW with Armour and Swift, covering about 22 plants; 12/ and the NBPW, with 9 Swift plants.

Although master agreements cover somewhat less than 5 percent of the more than 2,000 meat-packing establishments reported by the Census of Manufactures for 1947, they account for more than half of the production and related workers in the industry.

Extent of Collective Bargaining

In terms of workers employed, the meat-packing industry is about 90 percent covered by union contract. The two international unions, AMCEW and UPWA, estimate that each represents somewhat less than half the workers in the industry. Of its 175,000 members in 1950, the AMCEW reported about 90,000 in the meat-packing industry, primarily in packing houses, branch houses, and other operations outside the "Big Five". The majority of the remaining members are employed in retail butcher shops, but many work in canneries, poultry and egg houses, and tanneries. The AMCEW is dominant in the meat-packing plants on the West Coast, where most of the agreements are negotiated by employers' associations or other multi-employer groups.

Most of the UPWA's 80,000 members are employed in plants of the "Big Five". The union maintains that its agreements cover approximately 80 percent of the production and maintenance workers of these major packers. 13/

Membership of the NBPW is concentrated mainly among Swift employees, where it ranks next to UPWA in the number of workers represented. 14/

12/ The union also has contractual relations with individual plants of Cudahy, Wilson, and Morrell.

13/ Report to the President on the Labor Dispute in the Meat-Packing Industry, by the Board of Inquiry, created by Executive Order No. 9934-A, dated March 15, 1948, transmitted April 8, 1948 (p. 7).

14/ Edwin E. Witte, "Industrial Relations in Meat Packing", in Labor in Postwar America, ed. C. E. Warne, 1949 (p. 494).

Although negotiations are conducted separately, the AMCBW and UPWA have, since 1946-47, exchanged information and generally kept each other informed on the progress of their negotiations. Recently, they concluded a mutual aid bargaining pact to work together in negotiations with leading packers. The two unions agreed to pool resources to reach agreements with the packers, and not to conclude a contract without full discussion of common problems. This represents the first agreement between competing CIO and AFL unions in the same fields for joint contract action with common employers on an industry-wide or Nation-wide basis. 15/

Trade Associations

None of the national trade associations in the industry participates in the collective bargaining negotiations. Their principal activities include technical and merchandising research, public relations, packing house management, trade promotion, education, and informational services.

DEVELOPMENT OF THE MEAT-PACKING INDUSTRY

The meat-packing industry has been centered in the Midwest almost from the beginning of its large scale operations. Cincinnati, the first of the great packing centers, was supplanted by Chicago during the Civil War, when cattle instead of hogs came to be more widely marketed.

Other factors responsible for making Chicago and the Midwest the key meat-packing area include: (a) the increasing population in the Eastern cities, which necessitated procuring livestock from distant localities; (b) the advent of railroads and their extension westward, making Chicago a more economic terminus than Eastern cities; and (c) the introduction of refrigerator cars in the 1870's.

Meat-packing establishments are usually classified into three distinct categories: (1) The large national packers who occupy a dominant position in the industry, generally referred to as the "Big Four": Armour, Swift, Cudahy, and Wilson. (With Morrell they are referred to as the "Big Five".) They maintain large central plants, as well as a number of smaller plants, mainly in livestock production areas. They also operate numerous "branch houses" to market and distribute their products in or around most major consuming areas. (2) The independent, medium-size packers whose operations somewhat parallel those of the "Big Four" except that their products are usually marketed over a smaller region and their production is limited more to pork products. Included in the group are such companies as Hormel, Kingan, Oscar Mayer, Rath, and Tobin. (3) The small local packers who are generally engaged in intrastate operations. These companies usually buy local livestock, and process and market their products in surrounding areas. This type of establishment is prevalent in the East, especially in Pennsylvania and New York.

15/ The CIO News, October 10, 1949 (p. 11), and July 31, 1950 (P. 3).

Significant Industry Characteristics

Immediately prior to World War II, the meat-packing industry ranked third in value of product, and eighth in number of employees among the manufacturing industries.

Employment in the industry generally attains its peak between September and February and begins to taper off in the early spring. In the past decade, employment showed a substantial increase, having risen from 119,400 in 1939 to 165,400 in 1950, or about 40 percent (table 1).

Table 1.—Number of production and related workers in the meat-packing industry, by year, 1939-50 1/

Year	Number of production and related workers
1939	119,400
1940	129,500
1941	145,100
1942	176,500
1943	175,200
1944	172,900
1945	156,300
1946	160,000
1947	167,100
1948	156,200
1949	165,200
1950	165,400

1/ These production worker employment series are consistent with the series beginning January 1947, Summary L S 50 4264.

Location of the Industry and Size of Establishments

According to the Census of Manufactures for 1947, approximately a third of the industry's 2,153 establishments account for two-thirds of the 167,000 production and related workers, and are located in the North Central States. Illinois ranks as the most important meat-packing center, with Iowa second. Upward of 30 percent of the industry's total labor force is concentrated in the following four urban centers: Chicago, Kansas City, Omaha, and St. Paul.

A gradual shift westward has been taking place. The increased use of motor trucks has enabled farmers to bring livestock directly to nearby slaughtering plants. As a result, Iowa, Missouri, Texas, and California have become relatively more important meat-packing areas. From 1939 to 1947, the percentage of workers in Illinois declined from about 20 to 15 percent of the industry total.

Small-size plants predominate, but a few large establishments account for a sizable proportion of the industry's work force. Twelve establishments, each employing 2,500 or more employees in 1947, accounted for about a fourth of the total number of employees in the industry. Almost two-thirds of all the workers were in 86 plants, which employed over 500 workers each.

Nature of Job and Composition of Labor Force

The slaughtering process in the meat-packing industry is initially one of disassembly, followed by further processing into cured meats. It was reportedly the first industry to develop the continuous production lines system, with its resultant division of labor. Contrary to experience in many other industries, it was not, however, accompanied by a high degree of mechanization. 16/ Jobs in the industry are still largely of a manual and repetitive nature.

The combination of minute divisions of labor, coupled with the absence of highly mechanized operations, has led to an unusually large proportion of unskilled and semiskilled jobs. In 1945, the percentage of all employees classified as common labor in the five largest packing firms -- Armour, Swift, Cudahy, Wilson, and Morrell -- ranged from 25 to 38 percent, with an average of about 30 percent. About 25 percent of the male and more than 50 percent of the female employees were classified as common labor. 17/

Most of the work in packing plants is still unskilled and semi-skilled hand labor. At present, the percentage of common labor is reported to range from about 18 to 25 percent. The number of workers in the common labor grade is lower in plants of the independent and smaller packers.

A few jobs in the butcher and maintenance classifications require a rather high degree of skill. With few exceptions, the skilled jobs are held by men.

Certain tasks in the industry are peculiarly adaptable to women workers. During World War II women represented about 15 to 20 percent of the total labor force in the industry, largely in the processing departments. The proportion is now estimated at more than 20 percent. It will undoubtedly increase in the near future. 18/

Nonwhite workers have been an important segment of the industry's labor force for almost half a century. Although they account for about 30 percent of the work force in the industry as a whole, they constitute more than half the labor force in and around the important Chicago area.

16/ The Termination Report of the National War Labor Board, Industrial Disputes and Wage Stabilization in War Time, Vol. 1, January 12, 1942 - December 31, 1945, Ch. 19, "The Meat Packing Commission," by Clark Kerr (p. 1045).

17/ Report and Recommendations of the Fact-Finding Board in the Meat-Packing Industry Case, February 7, 1946 (p. 8).

18/ United Packinghouse Workers of America, The Packinghouse Worker, March 2, 1951 (p. 2).

CURRENT STATUS OF COLLECTIVE BARGAINING

Nature of the Sample

This study is based upon an analysis of 50 collective-bargaining agreements in the meat-packing and slaughtering industry current in mid-1950. ^{19/} The agreements cover 299 plants, with approximately 105,000 production and related workers, or almost two-thirds of the production workers in the industry. ^{20/} Six master agreements negotiated with three of the "Big Four" packers are included: Armour - AMCEW and UPWA; Swift - AMCEW, UPWA, NBPW; and Cudahy - UPWA. ^{21/} These 6 agreements represent two-thirds of the total number of workers in the sample and about 40 percent of the production workers in the industry.

The sample is representative of the geographic distribution of the industry and of the number of production workers (table 2). Plants employing fewer than 20 workers were not included in the sample except to the extent that they may be included in some of the city area-wide and/or employer-association negotiated agreements. Single plant, multi-plant (including master agreements with the "Big Three" packers), employer association, and standard area-wide agreements have been included. The two dominant unions--the Amalgamated Meat Cutters and Butcher Workmen of North America and the United Packinghouse Workers of America, as well as the National Brotherhood of Packinghouse Workers are represented (table 3). The AMCEW represents a larger proportion of the agreements and plants in the sample, but a smaller number of workers than the UPWA whose strength lies largely in plants of the "Big Four."

All of the major provisions in the agreements were analyzed for this study. Although some agreements were renegotiated after the analysis was completed, the substantive changes in these contracts (except for the wage adjustments) were not significant. The changes are noted in the footnotes.

^{19/} The industry is defined to correspond with Standard Industrial Classifications No. 2011 and 2012 (1945 manual) -- the slaughtering of livestock to be sold fresh or to be used on the same premises in the production of canned and cured meats, in the making of sausage and lard, and other products, and the slaughtering of livestock on a contract basis for the trade.

^{20/} The Bureau of Labor Statistics reported an average of 165,000 production workers in 1950.

^{21/} Since the master agreement negotiated between Wilson and the UPWA had expired in 1948 and was, therefore, not included in this study, the other three major packers are referred to in this report as the "Big Three." An analysis of the provisions of the new 1950-52 Wilson agreement as well as the 1950-52 Swift, Armour, and Cudahy agreements (all of which were negotiated subsequent to this study) reveal few major differences from the provisions of the "Big Three" agreements used in this study.

Table 2.—Number of establishments and workers in the meat-packing industry and in the sample, by region

Region	Total establishments and production workers in industry 1/		Plants and production workers in sample			
	Number of establishments	Number of production and related workers	Number of plants	Number of production and related workers	Number of "Big 3" plants	Number of production and related workers
Total	2,153	167,100	2/ 299	2/ 104,300	81	68,700
New England	86	3,200	5	2,100	4	2,000
Middle Atlantic	359	15,000	115	9,800	7	2,900
East North Central	542	47,100	35	25,500	16	19,700
West North Central	238	59,300	41	47,100	24	30,200
South Atlantic	231	9,500	11	3,900	7	1,900
East South Central	110	5,300	9	1,900	4	700
West South Central	217	11,900	7	4,800	6	4,600
Mountain	143	4,900	11	2,600	5	2,500
Pacific	227	10,900	65	6,600	8	4,200

1/ U.S. Department of Commerce, Census of Manufacturers, 1947.

2/ Although the sample covers less than 15 percent of all establishments in the industry in 1947, the number of workers covered by the 50 agreements represents at least two-thirds of the production and related workers in the industry. The sample does not include establishments with fewer than 20 employees, except to the extent that they may be included in some of the city area-wide and/or employers' association negotiated agreements.

Table 3.—Distribution of agreements and workers surveyed in the meat-packing industry, by union

Union	Total			"Big Three"		
	Number of agreements	Number of plants	Number of workers	Number of agreements	Number of plants	Number of workers
Total	50	299	104,300	6	81	68,700
AMCBW	28	219	29,700	2	22	8,700
UPWA	21	71	66,700	3	50	52,100
NBPW	1	9	7,900	1	9	7,900

FORMAL AGREEMENT CHARACTERISTICS

Employer Unit

Of the 50 agreements in the study, 11, accounting for three-fourths of the workers, cover several plants of a particular company; the "Big Three" agreements fall into this category. Nine agreements, all AMCBW, with about 10 percent of the workers, are multi-employer, either negotiated with a formal employer's association or with a group of employers in a given area. The remaining 30 agreements, covering approximately 15 percent of the workers, were negotiated with single plants.

Occupational Coverage

Every agreement in the study covers all of the production workers in the plant and in many instances, maintenance workers. A few agreements, with a small number of workers, also include truck drivers, cafeteria workers, and other nonproduction employees in the bargaining unit.

Duration, Extension, and Renewal of Agreements

The majority of agreements in the study, covering about 90 percent of the workers, were negotiated for periods of 1 year or less. The six "Big Three" agreements come within this category. ^{22/} A few agreements covering 10 percent of the workers were negotiated for periods of more than 1 year but not exceeding 2 years. Only one agreement with a small number of workers was of 3 years' duration, and one with about 2,000 workers for a 5-year period. Two agreements run indefinitely, until canceled by either party.

^{22/} These agreements subsequently negotiated in 1950 are of 2 years' duration.

The "Big Three" and most of the other contracts are automatically renewed from year to year in the absence of notice by either party to amend or terminate them. The notice period is generally 60 days, as required by the Labor Management Relations Act, although a few specify 30 days; one, 60 days by the union and 90 by the company; and one, 90 days.

A few agreements provide for extension of the agreement after its stated expiration date if negotiations are still in progress. Some remain in effect for an indefinite period until termination notice is given or until negotiations for a new agreement are completed, and a few others continue for a specified period.

Although agreements in this industry are negotiated at various times during the year, about half of the agreements in the study terminate in August.

SIGNIFICANT (INDUSTRY) CONTRACT PROVISIONS

The meat-packing industry is one of the few in which the majority of workers receive a guaranteed weekly, and in some instances, annual wage; 3 weeks' vacation (if they meet specified service requirements); 8 paid holidays with compensation at double time for hours worked on those days, plus 8 hours' pay for the holiday; paid sick leave; dismissal pay; and compensation for such activities as clothes-changing, tool-sharpening, etc.

Guaranteed Weekly Wage Plans

Minimum work or wage guarantees have long been provided by the industry to its hourly paid employees. They reflect the attempts by both management and labor to stabilize and regularize workers' earnings in the face of seasonal, and even daily, fluctuations in production arising from irregularity in the receipt of livestock. As long ago as 1912, Swift and Co. had inaugurated weekly guarantees, which are now widespread in the industry. 23/

During World War I, the major packers guaranteed 40 hours' work or pay weekly. In 1934, the AMCBW was again able to incorporate weekly guarantees in some agreements, but they were, with few exceptions, limited to only 28 hours' work. 24/ During NRA, the guarantee was raised to 32 hours. 25/ In 1945, as a result of a National War Labor Board directive applicable to the large packers, the guarantee was increased to 36 hours. 26/

23/ Edwin E. Witte, "Industrial Relations in Meat Packing", Labor in Postwar America, ed. C. E. Warne, 1949 (p. 500).

24/ Lewis Corey, Meat and Man, 1950 (pp. 305-306).

25/ Amalgamated Meat Cutters and Butcher Workmen, Synopsis of Proceedings of the Fourteenth General Convention, 1936 (p. 6).

26/ Directive Order of February 20, 1945. The Termination Report of the National War Labor Board, Industrial Disputes and Wage Stabilization in Wartime, January 12, 1942 - December 31, 1945, Vol. III, Appendix FF (p. 409).

Weekly Guarantees

Forty of the 50 agreements analyzed, covering 90 percent of the workers in the study, contain weekly work guarantees. Under these guarantees workers called to and reporting for work at the beginning of the workweek must be given work (or pay) for the number of hours guaranteed for that week. No minimum number of weeks of work per year is, however, assured. Commonly the guarantee calls for 36 hours, though guarantees from 35 to 40 hours are also in effect.

Employees laid off before the close of the first workday or, less frequently, by the close of the second day of the workweek do not qualify for the weekly guarantee in two out of every five agreements. Such employees are paid only for hours actually worked, unless, as most of the agreements provide, they are recalled for work in the same workweek in which they are laid off. In the latter event the full weekly guarantee is restored. The "Big Three" and a number of other agreements expressly provide for proportionate reductions of the guarantee for employees hired or called to work after the first day of the workweek.

Certain attendance requirements must commonly be met to be eligible for the full weekly guarantee. Workers must generally be present every scheduled workday or work their full "gang time". Absence (excused or otherwise) or tardiness generally reduces the guarantee.

Overtime, Sunday and holiday work premium pay, and pay for time spent in changing clothes are included in computing the weekly guarantee in some agreements and excluded in others. The three Swift agreements analyzed include such premium payments. Most of the plans provide that pay for an unworked holiday is to be credited against the guarantee, i.e., in a week in which a paid holiday occurs the employee is to be guaranteed only 28 hours' additional pay.

"The parties understand and agree that the foregoing guarantee provisions are based on pay and not on hours of work and that the Company has fully complied with the provisions of this guarantee when an eligible employee has been paid a sum of money equal to his regular rate of pay for thirty-six (36) hours, including compensation paid to him in excess of his straight-time regular rate of pay for hours of productive work by operation of Paragraphs A (1), (2), and (4), and C of Section 1 (Holiday and Sunday pay) of Article IV, Sections 4 (Call out guarantee) and 5 (Recall guarantee) of Article VIII of this agreement; and of paragraph 1 (Clothes Changing Time) of Article VIII of this Agreement; and including compensation paid by operation of Section 2 (c) (1) (Pay for Holidays not worked) of this Article." (Swift and Co. - AMCBW (AFL) Master Agreement)

Armour and Cudahy, on the other hand, specifically exclude premium payment for Sunday work.

A few provide that the application of the weekly guarantee is to be the same in holiday weeks as in other weeks, but stipulate that pay for unworked holidays is not to be applied to the weekly guarantee.

"The guarantee of thirty-six (36) hours pay per week shall be the same in holiday weeks as in other weeks.

"The parties understand and agree that the foregoing guarantee provisions are based on pay and not hours of work and that the Company has fully complied with the provisions of this guarantee when an eligible employee has been paid a sum of money equal to his basic hourly rate of pay for thirty-six (36) hours including compensation paid to him in excess of this straight-time basic hourly rate for hours of productive work by operation of Section 5, Paragraph B, sub-paragraph 1, concerning overtime and premium pay as stated in sub-paragraphs (A) and (B) and Paragraph G, Sub-paragraph 1 (a), concerning working through a meal period, Section 6, Paragraphs B and C concerning call to work pay and emergency call to work pay, respectively, and Section 8, Paragraph A concerning clothes changing time. However, pay for holidays not worked shall be excluded from the provisions of this paragraph."

(Kingan and Co., Indianapolis, Ind. - UPWA (CIO))

The employer is not held to the guarantee under some agreements, if operations have to be curtailed for causes beyond his control, such as fire, flood, or State or Federal Government orders or actions, or stoppages for a full day resulting from a breakdown of equipment.

Guaranteed Annual Wage

Plans for guaranteeing income or employment on an annual basis are rare in any industry. For the past few years, the packinghouse unions in their negotiations with the big packers have sought to extend the weekly guarantee to an annual wage plan. At present, Hormel is the only meat packing company known to have an annual guarantee. The Tobin Co. adopted such a plan in 1946. When its agreement was renewed in 1949, the plan was dropped at the request of the workers and a weekly guarantee substituted.

The Hormel guaranteed annual wage plan was first introduced into one department of its main Austin, Minn. plant as early as 1931. The plan was gradually extended, until by July 1933, it included the entire plant. In 1938, the plan was incorporated into an agreement with the CIO's Packinghouse Workers Organizing Committee and was made subject to collective bargaining and grievance procedure.

Each worker covered under the plan is guaranteed 52 pay checks a year, each at least equal to regular full-time pay, whether or not full-time work is available. In actual practice, full-time scheduled hours vary by department, from 34 to 40, but most workers have a 38-hour scheduled workweek.

To compensate for weeks in which the number of hours worked fall below the regular schedule, the employee works overtime when necessary, on a straight-time basis, except that workers in operating departments receive additional half-pay for hours worked in excess of 53 in any workweek. Furthermore, in any week in which a worker is employed more than 10 hours in a single day, he is paid extra half-time for all hours worked that week in excess of 48.

Workers receive a year-end payment for hours actually worked in excess of the number guaranteed for the whole year. If, however, by a stipulated date, the worker is indebted to the company for hours not worked, the "debt" is wiped off the books.

The annual wage guarantee is linked to a work-budget incentive system and to a joint earnings (profit-sharing) plan.

Under the work-budget system, the company annually estimates, where possible, the total output expected for each gang and department. This is then translated into the number of man-hours required to meet the estimated production. If, in any week, actual production exceeds the work or output schedule--that is, when "production hours" exceed the "actual clock hours worked"--the gang or department receives a bonus or "gains". For example, if an employee produces the equivalent of 30 production hours in 20 hours of actual work, he receives 10 extra hours' pay in addition to his regular weekly pay.

The profit-sharing plan, in existence since 1938, though referred to in the agreement, is explicitly not subject to collective bargaining. Profits, after wages and all other expenses are deducted, are divided between the employees and the company on a sliding percentage basis.^{27/} The employees' share is split among the individual workers in proportion to their basic hourly rate. All plant and office employees, except salesmen, regularly employed for 1 year are eligible to participate.

Paid Vacations

With relatively few exceptions, workers under the agreements included in this survey can look forward to 3 weeks' vacation with pay, generally after 15 years' service (table 4). Prior to 1949, 20 years' service (15 for women) was commonly required for 3 weeks' vacation. Employees are generally (80 percent of those in the study) not permitted to continue on their jobs during their vacation period.

Vacations earned prior to a call for military service are granted to employees in 10 out of the 50 agreements.

^{27/} Jack Cherdick, Economic Effects of Steady Employment and Earnings, The University of Minnesota Press, 1942 (p. 12).

Table 4.—Graduated paid vacation plans and service requirements in the meat-packing industry 1/

Vacation period and service requirement	Number of agreements	Number of workers
All agreements studied	50	104,300
<u>2 weeks' vacation</u>	10	6,900
<u>3 years' service</u>	2	200
<u>5 years' service</u>	<u>2/</u> 8	<u>2/</u> 6,700
<u>3 weeks' vacation</u>	<u>3/</u> 39	<u>3/</u> 96,700
<u>10 years' service</u>	1	1,700
<u>15 years' service</u>	<u>4/</u> 33	<u>4/</u> 93,600
<u>20 years' service</u>	<u>5/</u> 5	<u>5/</u> 1,400
<u>4 weeks' vacation</u>	1	700
<u>20 years' service</u>	<u>6/</u> 1	<u>6/</u> 700

1/ All workers are entitled to 1 week's vacation after 1 year's service.

2/ One agreement, with 1,800 workers, provides for a vacation period, on a prorated basis, after 1 year's service until the maximum of 2 weeks is reached.

3/ Except for two agreements which provide for 2 weeks' vacation after 3 years' service and one after 4 years, all of these agreements provide for 2 weeks' vacation after 5 years' service.

4/ One agreement covering a small number of workers prorates vacations on a monthly basis up to 1 year's service, and on a yearly basis up to 5 years' service (2 weeks' vacation).

5/ Two agreements, covering 1,300 workers, stipulate that female employees are eligible for 3 weeks' vacation after 15 years' service.

6/ Two weeks' vacation is granted after 5 years' service; 3, after 10 years' service.

The Selective Service Act provides that if the agreement or employer practice bases vacation credits solely on specified lengths of service, ex-servicemen are entitled to full seniority credit for time spent in service. 28/ A few agreements in the study specifically provide for accumulation of such vacation credits during the worker's absence while in military service.

Holidays

Most packinghouse workers have received eight paid holidays since 1946. Workers in most other industries customarily receive six (table 5). 29/

28/ U. S. Department of Labor, Bureau of Veterans' Employment Rights, Veterans' Reemployment Rights Question and Answer Handbook, October 1950 (p. 49).

29/ U. S. Department of Labor, "Holiday Provisions in Union Agreements, 1950," Monthly Labor Review, January 1951 (p. 25).

Table 5.—Number of paid holidays in the meat-packing industry

Number of paid holidays	Number of agreements	Number of workers
All agreements studied	50	104,300
Total with paid holidays	49	103,600
Number of holidays:		
8	<u>1</u> / 40	<u>1</u> /101,400
7	<u>2</u> / 4	<u>2</u> / 500
6	4	1,700
2	<u>3</u> / 1	(<u>3</u> /)
Total with no paid holidays	<u>4</u> / 1	<u>4</u> / 700

1/ Two agreements, with 2,300 employees, also provide for 3 unpaid holidays. Under terms of 2 other agreements, representing 500 workers, employees are given time off with pay on 6 holidays. On Washington's Birthday and Armistice Day, the holiday is not observed but the workers receive 8 hours' pay in addition to their regular pay for work on these 2 days.

2/ One of these agreements, with fewer than 100 employees, also grants an unspecified number of unpaid legal, National or State holidays.

3/ This agreement with fewer than 100 workers also provides for 6 unpaid holidays.

4/ This agreement, however, provides for 8 unpaid holidays.

The eight holidays most commonly recognized are: New Year's Day, Washington's Birthday, Memorial Day, July Fourth, Labor Day, Armistice Day, Thanksgiving Day, and Christmas Day.

Paid holidays on which no work is performed are not counted in totaling hours worked for the purpose of computing weekly overtime for about 80 percent of the workers.

To receive holiday pay, almost all the workers must meet some work requirement. Generally, they must have worked on the scheduled workday immediately preceding and following a holiday.

Almost three out of four workers forfeit holiday pay if they fail to report for work on a holiday when requested to do so.

The standard compensation for work done on a paid holiday is double time for hours worked plus the 8 hours' holiday pay, i.e., three times the regular rate for a full day's work (table 6). The clause generally provides that double the regular rate of pay, in addition to payment of straight time for the holiday is to be paid for holiday work. Most of the earlier contracts provided for double time pay, which included the premium payment for the holiday.

Rules are frequently prescribed concerning holidays falling on nonworking days, during absences while ill, or on vacation. Holidays falling on Sunday are usually observed on Monday. Employees covered by half of the agreements, including the "Big Three", are paid for holidays occurring during

sick leave, but they usually receive only the difference between their regular pay and the compensation due under their sick and accident benefit plans. Virtually all employees receive payment for holidays falling within their vacation period. Most of them get an extra day's pay, and a few agreements, in addition grant employees an extra day off.

Table 6.--Total hourly rates of pay for work on paid holidays in the meat-packing industry

Rate of pay	Number of agreements	Number of workers
All agreements studied	<u>1/</u> 50	<u>1/</u> 104,300
Agreements providing for paid holidays .	49	103,600
Double time	2	100
Double time and one half	2	3,400
Triple time (double time for hours worked plus 8 hours' holiday pay)..	43	99,900
Not indicated	2	200

1/ One of these agreements, representing 700 workers, provides for unpaid holidays.

Paid Sick Leave

Most of the workers (85 percent) are covered by paid sick leave plans which were first incorporated in agreements in 1946. Benefits are payable in case of illness or noncompensable accidents, except, commonly, when due to the employee's negligence or misconduct.

The amount of leave with pay is, with one exception, based on length of service. It is usual practice in the industry for workers to receive 2 weeks' leave at half pay for each year of accumulated or continuous service with the company. The following provision is typical:

"Amount of payment - One-half wages computed on the basis of a forty hour workweek or, in the case of employees who have a basic workweek either greater or less than forty (40) hours, one-half wages computed on the basis of such basic workweek. For absences of less than a full workweek, daily payments will be based on one-sixth of said one-half wages computed as aforesaid.

"Extent of payments - Two weeks at one-half wages for each year of accumulated service or of continuous service, whichever is the more favorable to the employee, for any one absence reduced by the payment made for other absences during the twelve months immediately preceding the onset of the current absence."

(Swift and Co. - NBPW (IND.) Master Agreement)

A small number of workers receive full pay for specified periods of sick leave, ranging from 7 days a year in one agreement to 7 weeks in the three Hormel plants.

Only one agreement contains a uniform plan under which all eligible employees are granted 5 days' sick leave with full pay, annually, regardless of length of service.

In about half the contracts, the company pays only the difference, if any, between the compensation payment and the sick leave pay when the disability is compensable under Federal or State Law.

Service Requirements and Other Regulations

In almost every case, an employee becomes eligible for sick leave pay after 1 year's service. A worker with 5 years' service (10 years in a few cases) generally receives sick pay from the first day of absence, and one with shorter service after 1 week's waiting period.

Some, or all, of earned paid vacation time may be used as sick leave if the employee so desires, under the terms of more than a third of these agreements.

Medical evidence of illness is required in almost all the agreements in the form of a certificate from the employee's or the company's doctor. Should the certificate of the worker's doctor be unacceptable to the company doctor, a few agreements call for a final determination by a third doctor.

Dismissal Pay

Dismissal pay for workers permanently laid off because of the closing of a department or a unit of the business was incorporated in agreements in the meat-packing industry for the first time in 1949. Workers of the "Big Three" and a few other companies -- three-fourths of the workers in the study -- are now eligible for such pay.

In all cases, the worker is entitled to 1 week's pay after 1 year's service; an additional half week's pay for every year of service thereafter, up to and including 6 years; and 1 week extra for every additional year up to and including 10 years of continuous service. Thereafter, $1\frac{1}{2}$ weeks' pay is added for each year of continuous service. The employee, if qualified, also receives vacation pay for the current year in which he is separated.

Payment is made in a lump sum when the worker is entitled to 4 weeks' pay or less. Payments for longer periods are made in weekly installments of full wages, unless the employee prefers to receive larger payments over a shorter period or requests a lump-sum payment.

Fringe Benefits

Conditions peculiar to the meat-packing industry require workers in many occupations to change into work clothes on the premises. Federal sanitary regulations provide, among other things, that these clothes be of readily clean-

able material and be clean at all times. In addition, the nature of the work also requires the use and maintenance of special hand tools, such as knives and cleavers.

Pay for time spent in changing clothes and maintaining work tools, and the furnishing of special clothing or of needed hand tools or payment therefor became a major subject of controversy between the unions and the packers during World War II. In 1944 and 1945, the National War Labor Board directed the "Big Four" packers to furnish and maintain necessary tools, furnish special outer working garments, and to pay for necessary time spent in changing clothes on the premises. The Board further directed the unions and the companies to bargain on the actual amount of time to be allowed for clothes-changing. Agreement was reached under which workers were granted 12 minutes daily.

Clothes-Changing Time

Time for changing into and out of work clothes on the premises is granted to 9 out of every 10 workers in the study. Virtually every worker is allowed 12 minutes daily. Hormel employees receive a lump sum weekly monetary allowance of \$1.50 in lieu of payment for clothes-changing time and the furnishing of clothes.

In two additional agreements, compensation for clothes-changing time is expressly included in the wage rates, but the amounts are not specified. 30/

Preparation and Repair of Tools

Virtually all workers are paid for time spent in preparing, sharpening, and repairing tools. The majority of the agreements (including the "Big Three") do not, however, indicate the length of time devoted to such activity. In a few cases, where the time allowance is specified, it ranges from 30 minutes weekly to 20 minutes daily. In a few additional cases, workers receive a weekly lump sum ranging from 25 to 75 cents.

The preparation and repair of tools is assigned to special people in a few instances to relieve the body of workers from such tasks.

Rest Periods

To break the monotony and fatigue of repetitive, continuous operations, agreements covering nine-tenths of the workers grant rest or relief periods. In some scattered instances, the rest period applies only to special groups (cattle killers and boners), or is observed only after the plant has processed a certain quota, or only after a specified number of overtime hours.

30/ Compensation for time spent in preparation and repair of tools and for furnishing outer work clothes is also included in the wage rate.

The rest period specified in agreements applicable to 40 percent of the workers is most commonly 10 minutes for each half shift. Some agreements, however, provide for only 5 minutes, others for 20 minutes for each half shift. Workers at Armour are allowed 2 periods of 10 minutes each. (The length of the rest period is not specified in the Swift and Cudahy agreements.)

Meals and Meal Time

Most employees (80 percent of those in the study) who work more than 5 consecutive hours without a break for meals receive a penalty premium of time and a half their regular rate of pay until relieved. In a few cases it is paid after $5\frac{1}{2}$ hours' work.

The employer is also commonly required to furnish a meal and to allow time with pay for eating it to employees required to work beyond their normal supper hour. The practice is almost equally divided in terms of workers covered between two types of agreements, one requiring a minimum of 5 consecutive hours' work after the first meal period, and the other 10 to $10\frac{1}{2}$ hours' work in any one day before a worker is entitled to such benefits. The length of this special meal period is generally set at 20 minutes, though a few small companies allow 30 minutes.

Instead of providing a meal period with pay, one agreement provides for double the regular rate for all hours worked in excess of 5 hours after the first meal period. (The regular overtime rate for work in excess of 8 hours daily is time and a half.)

These meal and meal time provisions are generally not applicable to employees on continuous operations who eat lunch on company time, or when $5\frac{1}{2}$ hours completes the day's work, or in case of a mechanical breakdown.

Equipment and Monetary Allowance

Tools, Equipment, and Safety Devices

Most of the workers who are paid a time allowance for clothes-changing are also furnished with necessary tools, equipment, and safety devices. The "Big Three" packers and most of the other companies supply such equipment without cost to the workers.

"The Company will furnish those knives, steels, whetstones, and meat hooks which are necessary for the work. The Company will continue its present practice in reference to furnishing all other tools.

"The Company will continue its present practice in reference to the furnishing of safety equipment and, in addition, will furnish to employees where necessary and required for the particular job they are on, mesh gloves, wrist guards, knife guards, leather aprons, hook pouches, knife pouches, knife boxes, needle pouches, helmets and goggles. All of the equipment referred to in this and the preceding paragraphs of this Article is and is to remain the property of the Company

and the Company is privileged to adopt such rules as are necessary to prevent loss or destruction of its property including but not limited to the right to charge employees for any of the property herein mentioned which is lost or stolen."

(John Morrell and Co., Iowa and Kansas - UFWA (CIO))

In a few scattered agreements, the company grants a combined monetary allowance to cover the cost of tools and equipment as well as work clothes.

Outer Work Garments

Virtually all regular workers receive a monetary allowance for, or are furnished with, some outer work garments.

"Each employee shall be given an allowance of 50 cents per week for furnishing work clothes. This shall be paid to each full time employee who qualifies for the 4-hour guarantee in any day of the workweek or who after reporting for work is excused because of illness or injury. Newly hired employees will be paid 8 cents per day for each day worked as a clothes allowance during the first week of their employment. The provisions of this paragraph shall not apply to part-time employees or casual workers."

(Armour and Co. - AMCEW (AFL) Master Agreement)

Laundry

Provisions for the laundering of outer work clothes were found in about two out of every five agreements, including the AMCEW-Armour and the AMCEW and UFWA-Swift agreements, covering a similar proportion of the workers in the study. Most of the companies launder the garments at no cost to the worker. A few grant a monetary laundry allowance.

Other Benefits

Workers at Armour, Cudahy and two other companies are compensated for time spent in visits to the company doctor on order or permission of a company official. A few other agreements provide that an employee injured during the workday is to be paid for the entire day if he must leave before the end of the day. Workers employed by Armour and one other company receive pay for any downtime caused by delays due to mechanical breakdown, waiting for material, etc. Armour employees are also paid for delays involving an accumulated total of 15 minutes daily.

UNION AND MANAGEMENT RIGHTS AND FUNCTIONSUnion RightsUnion Security and Check-Off

A large majority of the workers in the study are covered by agreements which simply provide for the minimum statutory requirements of the Labor Management Relations Act, 1947, with respect to union security (table 7). These agreements (the "Big Three" and a few independent packers) provide that the union is to be recognized as the sole collective bargaining agent for all workers in the bargaining unit, whether members of the union or not. The "Big Three" agreements are strengthened by irrevocable check-off clauses. Virtually all of the other sole bargaining agreements call for some type of check-off but do not indicate whether revocable or not.

Table 7.—Types of union security and check-off provisions in the meat-packing industry

Type of provision	Union security		Check-off	
	Number of agreements	Number of workers	Number of agreements	Number of workers
All agreements studied	50	104,300	37	91,600
Union shop	31	25,800	19	13,200
Maintenance of membership	5	1,200	5	1,200
Sole bargaining	1/ 14	1/ 77,300	1/ 13	1/ 77,200

1/ Includes the 6 "Big Three" agreements with 68,700 workers.

During World War II, agreements with the "Big Three" companies carried maintenance of membership clauses. Under this type of union security, employees need not join the union as a condition of employment, but those who are members when the agreement is signed and those who join subsequently must maintain membership for the life of the agreement. When the 1948 agreements were negotiated, following passage of the Taft-Hartley Act, the maintenance of membership clauses were dropped and sole bargaining and irrevocable check-off clauses were substituted.

Although union shop provisions are found in the majority of agreements surveyed, only one out of four workers is covered. They are more common in agreements with medium- and small-size firms and in those negotiated by the AMCEW (AFL). (All agreements negotiated with employers' associations and other multi-employer groups fall within this group.)

Under a union shop clause, a worker need not be a union member when hired, but must join within a specified period, generally 30 days, and remain in good standing during the life of the agreement. A few of the union

shop agreements give preference in hiring to union members, and several others, to workers formerly employed by the company or in the industry. A number of agreements make the union shop conditional upon the winning of an authorization election under the Taft-Hartley Act.

"All employees in the bargaining unit, who have been in the employ of the Company for at least 30 days, must remain members of the Union in good standing as a condition of continued employment for the duration of this Agreement.

"Any new employees hired, who are not members of the Union, must become members not later than thirty (30) days from their date of employment and remain in good standing, as a condition of employment, for the duration of this Agreement.

"The Company agrees in the hiring of employees in the classifications covered by this Agreement, to give preference to applicants who have previously been in the employ of this Company, and were not discharged for cause, and applicants previously employed in the meat industry who can qualify for the job open."
(Albert F. Goetze, Inc., Baltimore, Md. - AMCBW (AFL))

Only a few agreements, covering small companies, contain maintenance of membership clauses. One of these agreements, negotiated by the UPWA, also stipulates that all employees, whether members of the union or not, are required to pay union dues during the life of the agreement.

Provisions for the check-off of union dues are incorporated in three out of every four agreements, covering almost 90 percent of the workers.

The check-off applies to dues alone in 6 agreements; to dues and initiation fees in 22 (including all but 1 of the 6 "Big Three" master contracts); to dues, initiation fees and assessments in 8; and to dues, assessments and fines in 1 agreement.

Written employee authorization is required in almost all of the check-off clauses, in accordance with the Labor Management Relations Act. A total of 12 agreements, including the "Big Three" stipulate that the deduction is irrevocable and only 2, covering very small companies, specifically permit revocation of check-off authorization at any time. Those with irrevocable check-off generally follow the requirements of the Labor Management Relations Act by allowing revocation after 1 year if the duration of the agreement is for a longer period. Most of the master agreements (all of which are 1-year agreements), and a few others, contain specific escape periods at the end of the year (or contract term) during which the employee may withdraw his authorization.

"I hereby authorize and direct my employer, _____ to deduct from the first pay payable to me each month, the regular monthly union dues for the preceding month of the United Packinghouse Workers of America, C.I.O., and the initiation fee of said Union, if due and owing, and to remit same to the Financial Secretary of the local union.

"This authorization shall take effect as of the date hereof or as of August 11, 1948, whichever is later, and shall continue in effect until August 11, 1949, or until the termination of the Master Agreement between Swift and Company and the Union dated July 22, 1948, whichever occurs first.

"The above authorization shall continue in effect after the expiration of the shorter of the periods above specified, for further successive periods of one year from such date, provided there is then in effect a collective bargaining agreement between my employer and the union providing for the deduction of union dues and initiation fees as aforesaid. If permitted under federal law, this authorization may not be revoked by me prior to August 11, 1949, or during any of such successive one-year periods, except that I may cancel and revoke this authorization by giving written notice to my employer not more than thirty (30) days and not less than ten (10) days prior to August 11, 1949, or the termination of said Master Agreement, whichever occurs first, or prior to the expiration of any such yearly period or prior to the expiration of any such collective bargaining agreement, whichever occurs first. In the event of revocation by me as aforesaid, I shall send a copy of my revocation notice to the local union.

Date
(Swift and Co. - UPWA (CIO) Master Agreement)

Signature

Other Union Rights and Privileges

The union is allowed to post notices on bulletin boards in the "Big Three" packing plants and in more than a third of the others. A few agreements limit material to specified subjects, and some explicitly exclude material of a controversial or political character.

Union officials are permitted to visit the plant during working hours, usually for the specific purpose of handling grievances in about a third of the agreements, chiefly AMCEW. Advance notice of visits, application to the company office, or presentation of official credentials are sometimes stipulated.

"The business agent or other representatives of the Union shall have the right to enter any of the work rooms of the Employer during working hours for the purpose of investigation or for the purpose of discussion with the Employer, his employees or any other persons, any complaint or grievance. Reasonable notice to the Employer shall precede such visit or entry."

(Stahl - Meyer, Inc., N. Y., N. Y. - AMCEW (AFL))

Management Prerogatives

Certain rights of management are enumerated in about two out of every three agreements studied, including the AMCEW and UPWA master agreements, and virtually all of the others negotiated by the UPWA. Typically, these agreements include a brief statement reserving to management the right to hire, transfer, suspend, or discharge for proper cause, to establish and enforce standards of production and job loads, and to determine methods of production. The stipulation that these rights must be exercised in accordance with other terms of the agreement, and that they shall not be used in a discriminatory manner, is sometimes added.

Discharge

The usual grounds for discharge of a worker are incompetence, failure to follow instructions, intoxication while on the job, dishonesty, persistent tardiness, or absence. A worker may, in a majority of cases where discharge is mentioned, appeal his case if he feels it is unjust. In every instance, such grievances are handled through the regular grievance procedure.

Workers found to be unjustly discharged are guaranteed reinstatement with back pay for time lost in almost half the agreements in the study.

JOB SECURITY

Seniority and Its Application

Packinghouse workers are almost invariably laid-off, rehired, or promoted primarily on the basis of their length of service (or seniority). Although other qualifications such as ability, training, experience, physical fitness and requirements of the job are also considered, length of service is generally the determining factor.

Seniority lists which show the relative seniority standing of all employees are expressly called for in more than half of the agreements in the study. In several, male and female workers are to be listed separately.

Posting of seniority lists is required primarily in plants of the "Big Three." In most of the others, they are to be made available to union officials, upon request.

Lay-off

Workers in the common labor group are most frequently subject to lay-off when there is a decline in slaughtering or work is slow for other reasons. ^{31/} The more skilled employees in the plant are customarily retained.

The role of seniority in determining lay-offs is clearly specified in most of the agreements (table 8).

Table 8.—Qualifications determining lay-off in the meat-packing industry

Qualifications	Total		"Big Three"	
	Number of agreements	Number of workers	Number of agreements	Number of workers
Total	50	104,300	6	68,700
Length of service only ^{1/} ...	21	59,800	4	40,300
Length of service given primary emphasis but other factors considered	13	32,500	2	28,400
Length of service if other factors are relatively equal	7	4,400	-	-
Weight of factors uncertain..	4	800	-	-
No reference to lay-off	5	6,800	-	-

^{1/} Includes some agreements providing for both departmental and plant seniority under which, while reduction in force within department is based solely on departmental length of service, workers in exercising plant seniority for other than unskilled jobs must be qualified to perform such jobs.

Although length of service alone is a primary consideration in most cases, a worker's retention is also determined by his seniority unit. The applicability of seniority for more than half of the workers in the study is restricted to the department in which they are employed (table 9). A large number of workers, however, (including all of the Swift workers), are considered first within their respective departmental units. Those with least departmental service may then exercise their plant seniority and replace other workers with less plant service. ^{32/} However, "bumping", on a plant-wide basis, of workers with 1 or more years' service is prohibited by two of these agreements.

^{31/} Report and Recommendations of the Fact-Finding Board in the Meat-Packing Industry Case, February 7, 1946 (p. 9).

^{32/} Plant seniority is attained after 2 years' service in the Swift-UPWA agreement; 1 year in the Swift-AMCEW and NBPW, and 2 other agreements; and 6 months in still another agreement.

Table 9.—Seniority unit applicable in lay-off in the meat-packing industry

Unit	Total		"Big Three"	
	Number of agreements	Number of workers	Number of agreements	Number of workers
Total	50	104,300	6	68,700
Plant only	9	4,600	-	-
Department only	20	55,800	3	37,400
Department and plant	7	34,000	3	31,300
Department and job classification ...	3	700	-	-
Unit not indicated	6	2,400	-	-
No reference to lay-off	5	6,800	-	-

Rehire

To be rehired, the majority of the workers in the study, in addition to seniority, must qualify for the available job or must possess ability to learn the requirements within a reasonable time. A lesser number are rehired merely on the basis of their tenure. Half of the workers in the study are rehired according to departmental seniority only, a lesser number by department and plant.

Promotion

With few exceptions, a worker must meet certain qualifications in addition to length of service to be considered for promotion. Most frequently, an employee with higher seniority status is promoted only if he is able to perform the job or learn it within a reasonable length of time. All of the "Big Three" follow this procedure (table 10).

Table 10.—Qualifications determining promotions in the meat-packing industry

Qualifications	Total		"Big Three"	
	Number of agreements	Number of workers	Number of agreements	Number of workers
Total	50	104,300	6	68,700
Length of service only	7	5,000	-	-
Length of service given primary emphasis but other factors considered	22	83,000	6	68,700
Length of service if other factors are relatively equal	8	7,900	-	-
Weight of factors uncertain	6	2,400	-	-
No reference to promotion	7	6,000	-	-

Promotional opportunities are most frequently confined to the immediate department in which the vacancy exists. Such provisions cover 4 out of every 5 workers in the study, including those of the "Big Three" (table 11).

Table 11.—Seniority unit applicable in promotions in the meat-packing industry

Unit	Total		"Big Three"	
	Number of agreements	Number of workers	Number of agreements	Number of workers
Total	50	104,300	6	68,700
Plant only	6	4,700	-	-
Department only	21	83,900	6	68,700
Department, then plant	3	1,000	-	-
Department and plant	(1/)	(1/)	-	-
Department and classification	2	300	-	-
Unit not indicated	10	8,400	-	-
No reference to promotion	7	6,000	-	-

1/ Fewer than 100 employees.

Preferential Seniority Rights

To avoid disruption among a union's chief representatives in a plant, especially during a reduction in force, unions try to obtain top seniority for shop or plant stewards. Eight agreements (with one exception AMCEW), covering a small proportion of the workers in the study, carry such a provision.

Effect of Transfers on Seniority

Seniority rights of the majority of employees are protected when they transfer from one department to another. In most cases, a worker may retain seniority in his original department for a maximum of 90 days, while assigned to a new task. Employees covered by the Swift - AMCEW and NBPW agreements retain seniority rights in the original department until the transfer is made permanent. After a stipulated waiting period, the transferred worker usually attains seniority in the new department, retroactive as of the date of transfer.

"If at any time before the expiration of the sixty (60) day period employees decide to return to their original department, they shall be permitted to do so. Otherwise, employees' seniority date commences from the day they began in the department to which they shall have been transferred."

(E. Kahn's Sons Packing Co., Cincinnati, Ohio - AMCEW (AFL).)

The two Armour and the Swift-UPWA agreements and four others protect the seniority rights of an employee transferring to a newly created department by permitting him, in case of lay-offs in, or abolition of, that department, to return to his former department with all of his accumulated seniority.

"An employee transferred to a new department created by the Company, will upon the closing of the department, or in the event of lay-off in the new department because of lack of work, have the right to return to the department from which he was transferred (providing such employee relinquishes all seniority rights in the new department) and shall retain the seniority rights which he would have had, had he remained in his original department."
(Armour and Co. - AMCBW (AFL) Master Agreement)

Leave of Absence and Seniority Rights

Leave of absence, without pay but with seniority safe-guards, for union business, illness, maternity, civic duty, school attendance by veterans, or for other "good and sufficient" reason, is granted in 39 of the 50 agreements in the study (table 12).

Seniority is cumulative in six agreements for employees who are on leave to fulfill a public office, on sick leave, or for veterans while attending school. The other agreements merely state that leave is to be granted "without loss" of seniority, or fail to note the effect of leave on seniority.

Military Service

Although reemployment rights of employees returning from military service are protected by the Selective Service Act, more than half of the agreements contain military service clauses. The majority merely state that the rights are to be in accordance with the Act. Under the Act, an employee called for military duty in the Armed Forces accumulates seniority during his period of service.

Restriction on Production Work by Foremen

Nonworking foremen are prohibited from performing work customarily done by production workers in 14 agreements accounting for two-fifths of the workers, including the 2 Armour and the Swift-AMCBW. In two agreements, with relatively few workers, the restrictions are presumably absolute. In the others, work is permitted during an emergency or for purposes of instruction, and in some instances, where a gang is incomplete. The Swift agreement also permits such work if the gang does not justify a full-time supervisor.

Table 12.—Leave of absence provisions in the meat-packing industry ^{1/}

Item	Type of leave											
	Union business				Illness				Public office		Other reasons	
	Short term leave		Union office		Sick leave		Maternity leave		Number of agreements	Number of workers	Number of agreements	Number of workers
	Number of agreements	Number of workers										
Total with provision	28	80,200	29	91,900	12	34,100	6	30,400	6	15,500	26	89,900
Duration of leave:												
1 month or less	^{2/} 11	262,000	-	-	-	-	-	-	-	-	1	800
2 months	-	-	-	-	-	-	-	-	-	-	^{3/} 3	^{3/} 3,200
3 months	1	200	-	-	-	-	-	-	-	-	^{4/} 15	^{4/} 74,500
6 months	-	-	-	-	1	1,700	2	200	-	-	1	700
1 year	-	-	4	3,400	3	4,800	4	30,200	-	-	-	-
Life of agreement	-	-	16	78,400	-	-	-	-	-	-	-	-
Duration not indicated..	16	18,000	9	10,100	8	27,600	-	-	6	15,500	6	10,700
Effect on seniority:												
Retained or without loss	12	18,300	28	91,800	11	34,000	4	2,000	1	200	7	4,300
Cumulative	-	-	-	-	1	100	-	-	4	6,300	^{5/} 1	^{5/} 1,000
Not indicated	16	61,900	1	100	-	-	2	28,400	1	9,000	18	84,600

^{1/} Based on a study of 50 agreements covering 104,300 workers.

^{2/} Two agreements with fewer than 1,300 workers grant less than 1 month.

^{3/} These agreements grant a maximum of 2 months' leave after 15 years' service; a minimum of 2 weeks' leave is granted to employees with less than 5 years' service.

^{4/} All except 1 agreement grant the maximum 3 months' leave after 15 years' service; minimum of 2 weeks is granted employees with less than 5 years' service. One of the agreements also grants leave to veterans to attend school; the duration of such leave is not indicated.

^{5/} Applicable only for school attendance by veterans. The effect of leave for other reasons on seniority is not indicated.

"Employees excluded from the bargaining unit, whether they are exempt from or subject to the Fair Labor Standards Act, will not be used on work of a nature performed by employees in the bargaining unit except as follows:

"For the purpose of breaking in new men and instructing workmen;

"For the purpose of taking an operator's place temporarily who did not show up for work or who had to be relieved due to injury or sickness or who, for other reasons, is temporarily absent from the job;

"In gangs which are not sufficiently large to justify the full-time use of a supervisor or other management employee in his supervisory or managerial capacity."

(Swift and Co. - AMCBW (AFL) Master Agreement)

HOURS, WAGES, AND WORKING CONDITIONS

Hours of Work

The standard work schedule, where specified, is always 8 hours daily and 40 hours weekly.

Workers in the industry were employed more than 40 hours weekly, on the average, from 1939 through 1949 (table 13). In 1941 they dropped slightly. From 1942 to 1944, when production reached an all-time high, hours worked rose sharply to 49.5. From 1944 on, they decreased steadily until 1949. Since then they have remained fairly stationary. (In August 1951 the average was 41.5 hours.)

Table 13.—Average weekly hours and average hourly earnings for production workers in the meat-packing industry, 1939-50

Year	Average weekly hours	Average hourly earnings ^{1/}
1939	40.6	\$0.69
1940	40.2	.69
1941	39.6	.74
1942	40.9	.81
1943	46.5	.87
1944	49.5	.92
1945	47.5	.94
1946	42.6	1.07
1947	44.5	1.25
1948	43.4	1.36
1949	41.5	1.40
1950	41.6	1.46

^{1/} Average earnings include overtime pay.

Wage Provisions

The complexity of processing meat into thousands of separate products, combined with great specialization of labor, particularly in large integrated plants, has resulted in an enormous multiplication of separate tasks. A large plant may have 1,000 or more individual classifications. One of the major companies reported close to 100,000 separately established work standards. As a result, the wage structure in the industry is intricate, matched by few, if any, other industries.

To remedy the complicated wage situation, a Meat Packing Commission was established by the National War Labor Board on March 31, 1945, near the end of World War II. As one of its objectives it undertook to supervise and assist in the adjustment of interplant and intraplant wage relationships in plants covered by master agreements of the five major packers which establish the pattern for the industry. The NWLB found that the internal wage relationships had never been bargained out by the five companies and the three unions. 33/

Almost 100,000 job rates in nearly 100 plants were surveyed. The Commission recommended a simplification of the big packers' wage system into about 25 groupings of related job classifications. Instead of intervals as low as 1/4 cent, a "labor grade" system ("brackets") providing uniformly for "concentration points" at 2 1/2-cent intervals was adopted by the packers and the unions. The packers and the unions then attempted to assign individual jobs to appropriate grades. Wherever there was joint agreement, the Commission merely reviewed the decision. In the relatively small number of cases where there was disagreement, the Commission adjudicated the disputes. 34/ After the job rates were concentrated into the labor grades, determination as to whether some of them should be raised to a higher grade was also made. About 35,000 jobs were thus raised one or more grades. The most common increases for those job rates which were raised were one or two grades, or 2 1/2 or 5 cents an hour. 35/

The Commission also tried to standardize and secure greater uniformity in rates for the same job in the same area. Not infrequently, the same job carried different rates in the same department of the same plant, in different plants of the same company in the same geographic area, and in plants of other companies in the same area. Complete standardization was not attempted. 36/

As a result of the review, the industry achieved the first fully bargained rate structure in its history. Prior thereto, with few exceptions, only the common labor rate had been negotiated through collective bargaining. All other rates had been unilaterally established by the individual companies. 34/

33/ U. S. Department of Labor, The National Wage Stabilization Board, January 1, 1946-February 24, 1947, Ch. 18, "The Meat Packing Commission" (p. 205). (Although the NWLB was dissolved at the end of 1945, the Meat Packing Commission did not complete its review until February 1947.)

34/ Ibid. (p. 205).

35/ Ibid. (p. 206).

36/ Ibid. (p. 208).

The wage structure is further complicated by separate rates for male and female workers for the same job classifications, by the concentration of jobs and workers at the common labor rate, and by geographical differentials.

The appropriateness of the geographic differentials has been a source of contention between the unions and the packers for at least a quarter century. ^{37/} Under the NRA, the packers set up four wage levels based on the geographic location of plants -- "West Coast", "Metropolitan", "Southern", and "River". The latter was originally applicable to plants along the Missouri River Valley. Later some of these rates overlapped rates in metropolitan areas such as Baltimore and St. Louis. Rates for the same jobs within the same areas, however, varied substantially.

Although variations in the industry still exist, wage differentials between the North and the South have been narrowed, and differentials within the same area are not as extreme. Since World War II, "River" rates have been virtually eliminated through collective bargaining.

Method of Wage Payment

Every agreement in the study calls for payment of hourly rates. Fifteen agreements, covering almost half the workers, in addition, provide for payment of piece (or incentive) rates to some workers, usually those in the killing and boning departments. Four of the latter agreements (including Armour and Cudahy) also provide for weekly rates for specified groups, such as butchers, splitters and floormen, shipping department employees, and foremen.

Earnings and Wage Rates

Average hourly earnings (including overtime) for meat-packing workers, as a whole, more than doubled between 1939 and 1950, having risen from 69 cents to \$1.46 an hour (table 13). By December 1950 they had reached \$1.57 an hour. The largest increases took place after the end of World War II. No general across-the-board increases in wage rates were granted between late 1941 and the end of hostilities. In February 1943, the National War Labor Board, in a case involving the "Big Four" packers, denied an increase on the ground that the average increase in rates had already risen above the 15 percent "Little Steel" formula. ^{38/} Hourly earnings did, however, rise during this period as a result of longer working hours and fringe benefits, such as allowances for work clothes, clothes changing time, and time spent in preparing tools.

^{37/} The Termination Report of the National War Labor Board, Industrial Disputes and Wage Stabilization in Wartime, Vol. 1, Ch. 19, "The Meat Packing Commission," by Clark Kerr, January 12, 1942 - December 3, 1945 (p. 1055).

^{38/} Ibid (p. 1048).

After the war, average hourly earnings increased sharply, despite a steady decline in weekly hours worked, principally because of general wage increases. Unable to obtain acceptable postwar wage adjustments from the big packers, the workers called a Nation-wide strike on January 16, 1946. The following day, the President appointed a fact-finding board to make recommendations for the settlement of the dispute. On February 7, the Board recommended a wage increase of 16 cents an hour which was put into effect by the Secretary of Agriculture who, since January 25, had been operating the struck plants under Presidential order. Not until April did most of the companies settle on the basis of the recommended increase. An additional 7 1/2 cent hourly increase was granted later, effective November 1, 1946.

In 1947, most of the workers gained a 6 cent hourly raise; and in 1948, two increases of 9 and 4 cents, totaling 13 cents an hour. UPWA plants at first refused the 9 cent offer effective in January and struck, but subsequently accepted it in May. The additional 4 cent increase was negotiated with the unions in October.

In the fall of 1949, spreads between job rates were increased from 2.5 to 3 cents. The actual increases ranged from half a cent an hour in job classes one step above the base or unskilled labor grade to 15 cents in the highest classifications.

A general wage increase of 11 cents an hour was obtained in August 1950. The latest general wage increase of 9 cents an hour, together with an increase widening the spread between the existing labor grades (brackets) from 3 to 3 1/2 cents was negotiated in February 1951, subject to approval by the Wage Stabilization Board. These bracket increases were estimated to average about 2.4 cents an hour. Both the companies and the unions agreed that the increase in the differentials was necessary in the interests of the more skilled workers because all except one wage increase since 1946 had been uniform increases.

On May 18, 1951, the Board approved the 9-cent across-the-board increase, and on June 28, approved the widening of the differential between labor grades from 3 to 3 1/2 cents.

Equal Pay for Equal Work for Women

The equalization of rates of pay for male and female workers in the same job classifications has been stressed by the unions in the industry. Currently, about half of the workers in the study are covered by 16 agreements (including Armour and Cudahy) which contain such provisions (table 14).

Table 14.—Equal pay for equal work for women in the meat-packing industry

Equal pay for equal work	Total	
	Number of agreements	Number of workers
All agreements studied	50	104,300
Total with provision	16	55,900
For work normally performed		
by men	<u>1/</u> 10	<u>1/</u> 16,600
For substantially the same		
work as men	1	1,000
Same piece work rates for men		
and women	<u>2/</u> 3	<u>2/</u> 37,400
General principle stated; no		
details	2	900
Total without provision	34	48,400

1/ One agreement with fewer than 100 workers provides that the employer, in determining rates, may consider a man's ability to do other types of work in addition to the particular job done by a woman. Another agreement, covering 200 workers, provides that a woman performing less than the full and comparable operation, shall receive a rate of not less than 90 percent. A third agreement, covering about 1,800 workers, specifies that the provision applies to certain types of jobs.

2/ Applicable to women employed on operations performed by men. They are also guaranteed the same basic hourly rate.

The most commonly found clause follows:

"The Company and the Union agree to the principle of equal pay for equal work. Should a woman be transferred to an operation formerly done by a man, the woman shall be entitled to the rate received by the man; provided, the job is performed in a comparable manner and that production is comparable in quality and quantity to that produced by the man."

(George Kaiser Packing Co., Kansas City, Mo. - UPWA (CIO))

The following is illustrative of a few agreements:

"..... Female employees employed on piecework operations which are also performed (either regularly or at times) by male employees shall be paid the same piece rate as male employees and in such case shall be guaranteed the same basic hourly rate as male employees."

(Armour & Co. - AMCBW (AFL) Master agreement)

With few exceptions, the agreements specifically prohibit discrimination because of sex. Eleven, however, do not implement the clause by an equal pay provision.

A 1947 study of the wage structure in meat-packing plants other than the "Big Four" shows a wage advantage for men in each occupation in which both men and women are employed in the same jobs. 39/

Minimum Call-In (Report) Pay

Virtually every worker who reports for work at the usual hour or is ordered to report and finds no work available is guaranteed payment for a minimum number of hours. Almost invariably he receives pay for 4 hours at his regular rate.

Transfer Rates

Rate of Pay on Temporary Assignment.--The pay scale of most of the workers is protected in case of a temporary assignment to a lower-rated job. Four out of every five employees thus transferred continue to receive their regular rate of pay. Some variations or qualifications are found in a few agreements. For example, in three of the "Big Three" agreements a worker temporarily shifted to a lower-rated job at his own request or because of a reduction in force receives the lower rate immediately. In two of the 3 Hormel agreements with annual wage plans an employee on temporary assignment to a lower rated job carries his regular rate for a maximum of 52 weeks, after which he receives the rate of the job to which he is assigned.

When employees are temporarily assigned to a higher rated job, most of them (in 27 of 32 agreements) receive the higher rate immediately upon transfer. In other instances, the higher rate is applicable after a day or two.

Rate of Pay on Permanent Transfer.--The majority of employees permanently transferred to higher-rated jobs, including those of Armour, Cudahy, and Swift, receive the higher rate immediately. In a few cases, however, the waiting period ranges from 15 to 270 days. In the latter case, a worker receives 4 equal increases on the 30th, 90th, 180th, and 270th day after the transfer until his wages equal the prevailing wage of the classification to which he was transferred. Only one agreement expressly provides for a lower rate of pay upon permanent transfer to a lower-rated job.

Rate for Aged and Handicapped Workers

Transfer of an aged, handicapped, or disabled worker to work suitable to his physical condition is provided for in eight agreements (including the Swift-AMCBW). In all but one case such a worker receives the rate of pay for the job to which assigned. In the one remaining agreement, he receives either his regular rate of pay or the rate of the new job, whichever is higher.

39/ U. S. Department of Labor, Bureau of Labor Statistics, Wage Structure, Meat Products (except "Big Four"), Series 2, No. 59, 1947 (p. 3).

Interim Wage Adjustments

It is possible for almost all workers in the meat-packing industry (93 percent) to receive general wage increases before the termination of the agreements under which they work. Thirty-nine of the 50 agreements analyzed contain either wage reopening or automatic wage adjustment clauses (table 15). These reopenings may generally be requested once a year. 40/

Table 15.—Interim wage adjustments in the meat-packing industry

Provision	Number of agreements	Number of workers
All agreements studied	50	104,300
With provision for interim adjustment	39	96,500
With permissive wage reopening	32	91,100
At any time or after specified date	27	89,400
Tied to specified changes in wage pattern of designated companies or special areas	<u>1/</u> 5	<u>1/</u> 1,700
With automatic wage adjustment	4	3,200
Following increases granted by designated companies	4	3,200
Combination	3	2,200
Permissive plus automatic adjustment following increases by designated companies	3	2,200
With no provision for interim adjustment	11	7,800

1/ Agreement also permits reopening at any time.

Premium Pay

Daily and Weekly Overtime

Commonly, time and a-half the regular rate of pay is paid to any worker who works in excess of 8 hours daily or 40 hours weekly. One agreement covering a small number of employees in California provides double

40/ The "Big Three" agreements subsequently negotiated in 1950 provide for an additional permissive reopening once during the first year of the agreement. This reopening is limited to adjustment of wage rates and to subject matters not named in or covered by the agreements. The latter may be reopened only if they involve additional costs to the company under terms of the Swift and Cudahy agreements. The agreements of these two companies also state that issues of pensions and insurance are specifically excluded from the permissive reopening.

time. In two agreements, employees are paid double the regular rate after more than 4 hours' daily overtime. Another agreement calls for daily overtime pay after 10 hours' work during the months of August, September, October, and November, but weekly overtime pay starts after 40 hours.

Overtime provisions in the three agreements with annual wage plans (Hormel) differ markedly from others in the industry. Time and a half is paid for work in excess of 10 hours daily or 53 hours weekly in one plant. In the other two plants including the main plant, overtime starts after 12 hours' work in any one day or 56 hours in a week. Employees in regular operating departments are, nevertheless, paid time and a half for hours in excess of 53 hours in any one week, or after 48 hours in any one week in which they are required to work more than 10 hours in any one day.

Week End Work

Premium pay for Saturday work is not common in the meat-packing industry. Fifteen agreements (less than a third of the study), covering about 10 percent of the workers, require payment of premium rates for work on Saturday, and in two of these the premium is paid only for work on Saturday afternoon (table 16). Time and a half is the prevailing rate of pay in

Table 16.—Premium pay provisions for work on Saturday, Sunday, sixth and seventh day in the meat packing industry ^{1/}

Day of workweek	Total agreements	Number of workers	Number of agreements	Premium rate of pay	Number of agreements	Premium rate of pay
Saturday	2/ 15	2/ 8,800	14	1½	1	2
Sunday	3/ 45	3/ 101,800	1	1½	44	2
6th day	2	1,200	2	1½	0	0
7th day	1	(4/)	0	0	1	2

^{1/} Based on a study of 50 agreements covering 104,300 workers.

^{2/} Maintenance or custodial workers, workers on irregular shifts, and continuous operation workers who are excluded in three agreements, receive the premium rate for work on the 6th consecutive day of work.

^{3/} Custodial workers who regularly work on Sundays are generally excluded. These workers are paid the premium rate for work on their designated day off or on the 7th consecutive day of work.

^{4/} Fewer than 100 employees.

all but one agreement and that one provides for double time. In four of the agreements the premium pay may be denied to employees unjustifiably absent during the week.

On the other hand, almost all agreements studied call for premium pay for work on Sunday when not a regularly scheduled workday. With one exception the rate is double the regular rate of pay.

Only two agreements mention penalty payment for work by production workers on the 6th day and one the 7th day of the workweek. To be eligible for the premium, the worker must meet minimum work requirements.

Shift Differentials

A general bonus for night-shift work was first introduced in the industry in 1942, when a 5-cent hourly premium was incorporated in agreements with the "Big Four" packers. When the 1946 agreements were negotiated, the shift premium was increased to 7 cents an hour. Virtually every worker in the study receives this rate for work on other than the day shift.

Only two agreements, with few workers, grant a higher bonus for third-shift work than for second. One specifies an hourly premium of 9 and 7 cents for the third and second shifts, respectively; the other, 7 and 4 cents.

Minimum Call-Back Pay

Nineteen agreements covering four out of every five workers in the study guarantee a minimum payment to employees called to work either before or after their regularly scheduled hours. Most of these workers are guaranteed 4 hours' pay, generally at time and a half the regular rate of pay, even though fewer hours may actually be worked. Two agreements, covering a small number of workers, guarantee the 4 hours' pay at straight time rates if no work is performed; time and a half if any work is performed.

"With respect to emergency call-in work, actual hours worked shall be paid at the rate of time and one-half . . . and, in addition, the difference between the number of hours worked and four (4) at the straight time rate."

(Packing Houses of Philadelphia, Pa. - AMCBW (AFL))

Health, Insurance, and Pension Plans

Health and welfare plans, exclusive of paid sick leave, are not commonly incorporated in meat-packing agreements. It is known, however, that a number of large packers provide some welfare benefits without including them in their labor agreements.

A total of 17 of the 50 agreements analyzed mention such benefits; 6 contain details and 11 refer to benefits only incidentally. 41/ Included among the latter group are the Armour-AMCBW and Swift-AMCBW and UPWA contracts.

Of the six plans for which details are available, five are financed solely by the employer; the other fails to indicate the method of financing. The specific types of benefits are shown in table 17.

41/ Since this study was prepared, several companies have incorporated health and welfare plans in their renegotiated agreements.

Table 17.—Types of benefits provided in six agreements in the meat-packing industry

Type of benefit	Number of agreements
Retirement	2
Life insurance	5
Accidental death insurance	4
Weekly accident and sickness benefits	4
Hospitalization for employee and family ..	4
Surgical benefit for employee only	3
Medical care benefit	4
Employee only	2
Employee and family	2
Other <u>1</u> /	3

1/ One agreement provides for other related benefits as determined by the trustees; one, for eye examinations and glasses; and the third, mentions a benefit welfare club maintained by employees to which the employer also contributes.

Safety, Health, and Sanitation

Employees in meat-packing plants work under conditions not commonly found in most other industries. In handling livestock they come in contact with germs and disease. Some of the work is dirty, as on the killing floor; some wet, as in curing cellars; some cold, as in freezers and in carcass chilling rooms. As a result, workers are subject to undulant fever, rheumatism, skin diseases, respiratory diseases, and other ailments. 42/

The presence of wet slippery floors and the use of sharp knives and other cutting tools constitute safety hazards. The accidents are of a comparatively minor nature, however, consisting mainly of cuts and bruises, which as a rule do not involve any considerable loss of individual man-hours. 43/

Meat-packing plants, as processors of food, must conform to State and Federal health and sanitation regulations. They require medical examinations of workers handling meat directly. This probably accounts for the small proportion (25 percent) of agreements in which specific references are made to the maintenance of healthful and safe working conditions for employees. The latter cover small plants primarily, accounting for less than a tenth of the workers in the study.

42/ The Termination Report of the National War Labor Board, Industrial Disputes and Wage Stabilization in Wartime, Vol. 1, Ch. 19, "The Meat Packing Commission," by Clark Kerr, January 12, 1942 - December 31, 1945 (p. 1046).

43/ War Manpower Commission, U. S. Employment Service, Labor Market Information Industry Series, Industry Series 201, 1946 (p. 4).

As a result of new safety programs in plants of the "Big Four" and some of the independent packers, progress has been made in recent years in cutting down the frequency and severity of accidents.

ADJUSTMENT OF DISPUTES DURING LIFE OF AGREEMENT

All three unions play important roles in the handling of grievances. Especially designated international union representatives of AMCBW and the UPWA handle disputes arising between the internationals or their local unions and the individual "Big Four" packers. The UPWA international office has, among other departments, a grievance department which has full responsibility for coordinating the handling of grievances and related matters. Although the AMCBW has no special grievance department, its Research Department handles all grievances reaching the third or fourth steps in plants of the "Big Four" packers. Disputes in plants of the independent packers, in most cases, are handled directly by union district representatives. Both unions also constantly advise local unions on matters concerning interpretations of the contracts and effective ways and means of presenting grievances.

Grievance Procedure

Grievances and disputes are adjusted through established contract grievance machinery, only a few agreements in the study failing to outline the detailed procedure to be followed. These few are found primarily among industry-area and association agreements usually covering small firms, negotiated by the AMCBW. On the other hand, the grievance procedure in the "Big Three" agreements is outlined in great detail.

Workers may generally appeal their grievances through three or four successive steps (table 18).

Table 18.—Number of steps in the grievance procedures
in the meat-packing industry

Number of steps	Number of agreements	Number of workers
All agreements studied	50	104,300
1 step	1	500
2 steps	8	2,600
3 steps	<u>1/</u> 20	<u>1/</u> 55,700
4 steps	13	39,300
Not indicated	8	6,200

1/ The two Armour agreements provide for 4 steps for grievances and issues not subject to arbitration.

First Step in Initiating Grievances

The aggrieved worker, or his union representative, or both, generally file the complaint initially with the foremen (table 19).

Table 19.—Initial step in grievance procedures in the meat-packing industry

Initial step	Number of agreements	Number of workers
All agreements studied	50	104,300
Employee and foreman	4	700
Employee and foreman, with option of union representative	15	46,600
Employee, union representative and foreman	2	9,100
Employee and management representative	1	200
Employee or union representative and department representative ...	2	28,400
Union representative and foreman ..	13	8,300
Union representative and plant manager	2	200
Union representative and "management representative"	<u>1</u> / 3	<u>1</u> / 4,600
Not indicated	8	6,200

1/ Includes 1 agreement providing for a one-step grievance procedure.

Under the Armour and Cudahy agreements, disputes arising over new rates, new jobs, and job standards (which are not agreed to by the local or the international union) are handled initially at the third stage of the grievance procedure, that is, directly by representatives of the international union and of the national office of the company. In the case of Cudahy the same procedure is followed in disputes arising over new of changed piece rates challenged by the union.

".....If no agreement is reached locally or if an agreement is not ratified by the national headquarters of the union, the Union shall have the right to submit such rates for new jobs to the third step of the grievance procedure for further processing thereafter as a grievance in accordance with the grievance procedure set forth in this agreement including arbitration."

(Cudahy Packing Co.—UPWA (CIO), Master agreement)

Final Step in Grievance Procedure

The formalized grievance procedure commonly calls for participation by international union representatives at the final stage of the appeal prior to arbitration (table 20).

Table 20.—Final step in settling grievances in the meat-packing industry

Final step	Number of agreements	Number of workers
All agreements studied	50	104,300
Total describing final step	<u>1/</u> 44	<u>1/</u> 100,000
Representatives at International union level ..	25	80,600
And top plant or management representatives..	<u>2/</u> 5	<u>2/</u> 6,500
And company officials	<u>3/</u> 20	<u>3/</u> 74,100
Representatives at local union level	15	12,700
And company officials	<u>4/</u> 11	<u>4/</u> 11,200
And management representatives	<u>5/</u> 3	<u>5/</u> 1,400
And committee representing union and company.	1	100
Other 6/	4	6,700
Union and management representatives	3	5,600
Union and company representatives	1	1,100
Not indicated	6	4,300

- 1/ Includes 2 agreements describing only the final step.
2/ Includes 3 small agreements which specify that a representative of the local grievance committee shall also participate.
3/ Includes all 6 of the "Big Three" agreements with 68,700 employees.
4/ Includes 2 small agreements in which a representative of the international union may participate.
5/ Includes 1 agreement providing for a one-step grievance procedure.
6/ Not clear whether representation at local or international union level.

Written Notice

The complaint must be submitted in writing at some stage of the grievance procedure in agreements involving four out of every five workers. They are usually filed at the second or third step (table 21).

A time limit for filing grievances is set in only a few agreements, but they cover a third of the workers in the study (almost exclusively employees of some of the "Big Three" companies). The limits range from 7 to 30 days, the majority specifying 30 days. A number of agreements merely state that all grievances are to be presented at a convenient time and place during working hours, and are to be disposed of without unnecessary delay.

Table 21.—Step at which written notice is submitted in grievance appeal in the meat-packing industry

Stage of submission	Number of agreements	Number of workers
All agreements studied	50	104,300
Requiring written notice	26	84,601
First step	8	6,400
Second step	12	51,500
Third step	6	26,700
No mention of written notice ...	24	19,700

The maximum number of union representatives designated to serve on grievance committees ranges from 3 to 12. The AMCBW agreements call for 3 to 6; the UPWA generally 5 to 12 representatives.

Arbitration

Arbitration as a final step in the settling of grievances is now a well-established requirement in the industry; 45 of the 50 agreements contain such provisions.

A single arbitrator is authorized to settle disputes in a third of the agreements representing four out of every five workers; a tripartite board, in the majority of the agreements, but covering only a sixth of the workers. The agreements of the "Big Three" companies and a few others call for the appointment of a mutually agreed upon permanent impartial arbitrator to serve during the life of the contract. In all other cases, the arbitrator or the board is selected on an ad hoc basis, that is, every time a dispute arises.

Because of the tremendous backlog of grievances during World War II, the unions pressed for appointment of permanent arbitrators for the major packers. Swift was the first company to comply. Shortly thereafter, permanent arbitrators were appointed at Armour, Cudahy, and Wilson. 44/

The impartial arbitrator is selected jointly in almost all the agreements providing for arbitration. In a third, an outside agency is named to appoint the arbitrator if the parties fail to agree upon a selection. A few small companies, however, leave the appointment of the arbitrator to an outside agency, when arbitration is requested, without first attempting to agree upon one. The Federal Mediation and Conciliation Service is called upon most frequently. The following are also listed: county or Federal judge, State or city agency, and the American Arbitration Association.

44/ United Packinghouse Workers of America, Officers' Reports to the Third Annual Convention, 1946 (p. 28).

As a method of expediting the final settlement of disputes, 15 agreements impose a time limit, ranging from 2 to 10 days, in the selection of the arbitrator. In 10 agreements limits are also placed upon the time, generally 1 week, within which the arbitrator's decision must be rendered.

Work Stoppages

The constitutions of the three unions contain safeguards against the calling of strikes. Locals of the AMCBW must submit the issue to the International President, who personally or by deputy in conjunction with the local committee will endeavor to adjust the grievance. Failing adjustment, the issue is submitted to the General Executive Board. The local union must be governed by the decision of the Board. If the grievance is not sanctioned and the local decides to strike, such action will be considered sufficient provocation for suspension. The constitution of the UPWA, likewise, provides that no strike may be called without the approval of the International Executive Board. In case of violation of the Board's decision, the Board will take the necessary action to secure compliance. Appeals by locals may be taken at the convention of the UPWA, but in the interim the action of the Board is binding.

Virtually all of the agreements either unqualifiedly prohibit or restrict the conditions under which a strike may be called. One-third, covering a small number of workers, explicitly prohibit work stoppages of any nature.

"It is agreed that there shall be no strikes, lock-outs, work stoppages, or slowing of operations in any department for any reason whatsoever at any time during the life of this contract."

(E. Kahn's Sons Co., Cincinnati, Ohio, AMCBW (AFL))

More than 50 percent of the agreements (including all of the "Big Three") covering about 4 out of every 5 workers, restrict the conditions, or specify the circumstances, under which a strike may be called. Most of them permit a strike after the established grievance or adjustment machinery under the terms of the agreement has been exhausted. In addition, half of them permit strike action over nonarbitrable issues, or over disputes arising during wage reopening negotiations, or after refusal of either party to abide by an arbitration award.

1. "Should differences arise between the company and the union, or between the company and the employees, or between employees at the company or should any local trouble of any kind arise in the plant, there shall be no strike, stoppage, slowdown, or suspension of work on the part of the union or its members or lockout on the part of the company on account of such disputes until after an earnest effort shall be made to settle all such matters immediately in the following manner ..

"It is understood that in connection with such reopening on the issue of a general wage adjustment the union shall have the right to strike and the company the right to lockout on such issue commencing with a date which is ninety (90) days after the date the notice in connection with such reopening shall have been served upon the other party by the party reopening the agreement."

(Cudahy Packing Co. - UPWA (CIO) Master agreement)

2. "On those cases which the arbitrator has no power to rule, the Union shall have the right to strike after a five (5) day notice. The parties agree that such strike will not be for the purpose of changing any working conditions."

(John Morrell & Co., Iowa and Kansas, UPWA (CIO))

In the few remaining agreements, work stoppages are permissible only if either party fails to comply with the arbitration award or in disputes concerning wage rates or reopenings.

Only three contracts, one of which bans stoppages and two others which permit stoppages under certain circumstances, specifically relieve the union of any liability in the event of an unauthorized strike, providing the union uses every reasonable effort to halt the interruption of operations.

Prior to World War II, work stoppages in the industry resulted primarily from attempts to obtain union recognition. ^{45/} During the war, idleness caused by work dispute stoppages declined appreciably (table 22).

Table 22.—Work stoppages in the meat-packing industry, 1939-50

Year	Work stoppages	Number of workers involved	Man-days idle
1939	25	7,450	93,200
1940	26	2,400	30,300
1941	48	12,000	213,000
1942	33	5,910	47,100
1943	27	4,900	14,400
1944	33	6,400	15,100
1945	51	31,500	169,000
1946	37	91,400	903,000
1947	29	20,900	134,000
1948	26	90,400	3,780,000
1949	36	5,440	51,200
1950	23	9,800	53,200

^{45/} U. S. Department of Labor, Bureau of Labor Statistics, Strikes in 1940, Serial No. R-1282, 1941; Strikes in 1941, Bulletin No. 711, 1942.

After the war, strikes in the meat-packing industry, like those in many other industries, were based on requests for wage increases.

The two largest controversies, in 1946 and 1948, resulted from the unions' demands for wage increases. The major 1946 strikes were settled after a Federal fact-finding board recommended an increase. In March 1948, the stoppages followed wage reopening discussions with the major packers. The AMCBW and the NBPW reached an agreement with the major packers, but the UPWA held out for a larger increase. After a 10-week strike, during which a Presidential Board of Inquiry was appointed to ascertain the facts "with respect to the causes and circumstances of the dispute" but with no authority to make recommendations, the stoppage was terminated in plants of Armour, Swift, Cudahy, and Morrell, and the union accepted the increase previously granted to the other unions. The stoppage continued at Wilson plants until June, when terms approximately similar to those of the other companies were negotiated.