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**MAJOR
COLLECTIVE
BARGAINING
AGREEMENTS**

**MANAGEMENT
RIGHTS
and
UNION-MANAGEMENT
COOPERATION**

Bulletin No. 1425-5



UNITED STATES DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

BUREAU OF LABOR STATISTICS
Arthur M. Ross, Commissioner

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Preface

This is the fifth in a comprehensive series of studies through which the Bureau hopes to survey the entire scope of the collective bargaining agreement. Previous publications are listed on the last page of this bulletin.

Studies of two collective bargaining issues are combined in this bulletin—management rights provisions, and union-management cooperation provisions. Both deal with the exercise of essentially managerial functions, but with markedly different principles. In management rights clauses, management in effect stakes out certain functions necessary in the operation of the plant or business as exclusively its own. The union, in turn, accepts this designation of management prerogatives. In provisions calling for union-management cooperation in carrying through an action or policy that normally originates with management and is designed to increase the efficiency or profitability of the undertaking, the parties in effect indicate a willingness to share a managerial function or at least recognize mutual interest in efficient, competitive operations.

Since all managements exercise certain prerogatives, whether or not they have a management rights clause in their union agreement, and since some degree of union-management cooperation is a necessary ingredient in all collective bargaining relationships, the provisions discussed in this bulletin, although accounting for all major agreements, do not by any means encompass all areas of labor-management relations of this type. The series of studies of which this bulletin is a part might come close to doing so in its entirety, insofar as written provisions are concerned, but important aspects are too elusive to be covered by an analysis of agreement language, or perhaps by any large-scale survey technique.

Many agreements deal explicitly with management rights and union-management cooperation, but many do not. Probably each collective-bargaining situation provides its own answer as to why this difference in approach exists. Many provisions may be written with a view toward their meaning to arbitrators, to the courts, to the National Labor Relations Board, to union officials, to shop supervisors and shop stewards, or to the workers in the bargaining unit, often with a concrete experience as a background. The detailed examination of these provisions in this bulletin may suggest their possible uses.

The studies are based on virtually all agreements in the United States covering 1,000 workers or more in effect in 1963-64 (exclusive of railroad, airline, and government agreements) accounting for almost half of the estimated coverage of all agreements outside of the excluded industries. The studies thus do not reflect practices in small collective bargaining situations. All agreements are part of the file of current agreements maintained by the Bureau for public and government use, in accordance with section 211 of the Labor Management Relations Act, 1947.

The clauses quoted in this report, identified in an appendix, are not intended as model or recommended clauses. The classification and interpretation of clauses, it must be emphasized, reflect our understanding as outsiders, not necessarily that of the parties who negotiated them.

The Bulletin 1425 series is part of the program of the Bureau's Division of Industrial and Labor Relations, Joseph W. Bloch, Chief. This bulletin was prepared by Leon E. Lunden, assisted by Theessa L. Ellis, Richard F. Groner, and David L. Witt, under the supervision of Harry P. Cohany, under the general direction of L. R. Linsenmayer, Assistant Commissioner, Office of Wages and Industrial Relations.

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Management Rights and Union-Management Cooperation

Chapter I. Management Rights Provisions

Introduction

Many collective bargaining agreements include a clause commonly designated as a "management rights" or "management prerogative" provision, which sets forth the functions reserved in whole or in part to the employer. While some of these provisions refer briefly to the existence of management rights, more often they specify those areas over which the employer has absolute control and those which are limited by substantive provisions of the agreement. The management rights clause, it should be noted, does not define those issues which are bargainable or nonbargainable as a matter of law. Rather, the agreement provision summarizes the understanding of the parties on particular issues for the term of the agreement, and it may be modified in later negotiations, as the parties see fit.

A management rights clause by itself is not an accurate guide as to the areas in which the employer can act unilaterally and those in which his actions are abridged by the terms of the agreement. For this, one must consider the agreement in its entirety. For example, a management rights clause which states that the employer shall have the "right to promote" may be circumscribed by job bidding and seniority provisions and, more significantly, by an arbitration procedure which extends to any and all disputes between the employer and the union. The management rights clause is probably of greatest significance in disputes over issues on which the contract is otherwise silent. In such cases, this clause serves as tangible evidence to the arbitrator that the issue was meant to remain the prerogative of the employer. It is also believed to be of educational value for those who are concerned with the daily administration of the contract in the plant.

The initiative for a management rights clause naturally comes from the management side of the bargaining table. However, opinions among management negotiators differ as to the desirability of such a clause. In view of the attention directed to management rights in recent years and the growing involvement of lawyers in collective bargaining, it is significant that 1 out of 2 major agreements studied did not contain an explicit statement of management's rights. This absence may reflect a strategy on the part of management not to refer to its rights in a separate clause since such a listing, because of its possible incompleteness, may impair any residual rights which are claimed to belong to management exclusively. All rights not specifically abridged by the term of the agreement (or by legislation), so this strategy holds, remain with management, to be exercised at its discretion.

Increasing emphasis on safeguarding management rights, either in management rights clauses or in tighter drafting of substantive provisions, has been predicted as a result of 1960 Supreme Court decisions in the so-called "Steelworkers Trilogy." Of particular interest is the Court's decision in the *United Steelworkers of America v. Warrior and Gulf Navigation Company* case,¹ which

¹ 363 U.S. 574.

arose over the arbitrability of a subcontracting dispute. The agreement provided for arbitration of disputes as to the meaning and application of the agreement and "any local trouble of any kind . . ." At the same time, it stated that "matters which are strictly a function of management shall not be subject to arbitration."

The agreement included a "no strike no lockout" provision. In holding for the union, the Court made the following observations:

Collective bargaining agreements regulate or restrict the exercise of management functions; they do not oust management from the performance of them When . . . an absolute no-strike clause is included in the agreement, then in a very real sense everything that management does is subject to the agreement

. . . 'strictly a function of management' must be interpreted as referring only to that over which the contract gives management complete control and unfettered discretion. Respondent claims that the contracting-out of work falls within this category. Contracting-out work is the basis of many grievances; and that type of claim is grist in the mills of the arbitrators. A specific collective bargaining agreement may exclude contracting-out from the grievance procedure or a written collateral agreement may make clear that contracting-out was not a matter for arbitration. In such a case a grievance based solely on contracting-out would not be arbitrable. Here, however, there is no such provision. Nor is there any showing that the parties designed the phrase 'strictly a function of management' to encompass any and all forms of contracting-out. In the absence of any express provision excluding a particular grievance from arbitration, we think only the most forceful evidence of a purpose to exclude the claim from arbitration can prevail, particularly where, as here, the exclusion clause is vague and the arbitration clause quite broad

It is doubtful that the Supreme Court decision and the extensive discussion of management rights in trade and professional publications during recent years have had much of an immediate impact on agreement provisions.² At least one reason, perhaps an obvious one, is that managements are unable to adopt or change policy unilaterally. At any rate, 4 out of 5 clauses checked reflected no change over a number of years.

This study shows that during 1963-64 slightly less than half of all major agreements contained a formal management rights provision. Most of these clauses enumerated specific rights belonging to management rather than asserting rights in a general form. Almost all provisions listed rights dealing with the direction of the work force and over three-fifths contained one or more rights concerning the employer's control of production. Clauses establishing the employer's right to determine the size of his work force and to introduce new machinery were especially prevalent. The right to subcontract was asserted infrequently, while the right to determine plant location was listed in slightly more than one-fourth of the formal statements.

Almost all provisions limited the very rights they set forth, most often by subordinating them to other provisions of the agreement. Slightly more than one-third reserved to management those functions not modified by the contract and not otherwise specifically cited as the employer's.

Since this study deals exclusively with agreements covering 1,000 workers or more, large companies and associations are involved: Hence, a number of interesting questions are left unexplored. For example, are large companies more sensitive than small companies to the possible erosion of management

² A measure of the frequency of the management rights issue in negotiations and in arbitration can be derived from the Annual Report of the Federal Mediation and Conciliation Service for Fiscal 1964. Among the issues in cases settled by FMCS mediators, management prerogatives as such were among the lowest, slightly less than 4 percent, although this issue has increased since 1960, when it figured in 2.6 percent of all issues. However, among the issues adjudicated by arbitrators appointed by the service, management rights ranked fourth from the top. The issue appeared in 320 cases in 1964 as against 307 in 1963.

functions? Does the availability of legal talent, presumed to be greater in large companies, have the influence on management rights clauses that one would expect from the writings in this area? Is the practice substantially different for large companies dealing with large unions than for small companies dealing with large unions? In the absence of answers to questions such as these, it is important to remember that practices in small companies may be substantially different from those revealed in this study.

Scope of Study

This study is concerned with the management rights provision as it appears in the collective bargaining agreement: Its prevalence, its form, the rights retained by management, and the limitations placed upon management action. For this study, the Bureau examined 1,773 major collective bargaining agreements, each covering 1,000 workers or more, or virtually all agreements of this size in the United States, exclusive of those in railroad and airline industries, and in Government. These agreements applied to approximately 7.5 million workers or almost half of the total coverage of collective bargaining agreements outside of the excluded industries. Of these, 4.1 million workers covered by 1,023 contracts were in manufacturing; the remaining 750 agreements, applying to approximately 3.3 million workers, were in nonmanufacturing. Virtually all contracts were in effect in 1963-64.

Clauses selected for quotation in this report illustrate either the typical form of the characteristics under consideration or the variety of ways in which negotiators have modified that form. Minor editorial changes were made where necessary to enhance clarity, and irrelevant parts were omitted where feasible.

For certain selected management rights issues, a sample of 420 agreements was selected from the 1,773 agreements in the study. In general, within each industry, agreements were arrayed in descending order by size of worker coverage and a 1 in 4 sampling ratio was applied. However, every industry was assured of at least one selection.

In addition, 142 agreements, representing a variety of industries and unions, were examined for changes in management rights provisions over a period of about 10 years. The illustrative clauses are numbered and the agreements from which they have been taken are identified in appendix D. In appendix A, several management rights provisions are reproduced in full to illustrate how the parts fit together in the whole.

Related Studies

In its broadest sense, virtually the entire series of studies referred to in the preface (p. iii) touches upon some aspect or abridgement of management rights, if the period prior to union renegotiation is taken as a starting point. More immediately related to management rights are the reports on grievance procedures and on arbitration procedures.³ The study of union-management cooperation that follows deals with a voluntary sharing of management functions with the union. Studies of plant removal, subcontracting, and interplant hiring and transfer arrangement clauses are also being prepared. Later studies, particularly those dealing with layoff procedures, seniority, advance notice and consultation, and work and shop rules, will add depth to the picture.

³ Major Collective Bargaining Agreements: Grievance Procedures (BLS Bulletin 1425-1, 1964), and the forthcoming Major Collective Bargaining Agreements: Arbitration Procedures (BLS Bulletin 1425-6).

Table 1. Management Rights Provisions in Major Collective Bargaining Agreements, by Industry, 1963-64

Industry	(Workers in thousands)									
	Total studied		With formal management rights provisions						No formal management rights provision	
			Total		General statement only		With enumerated rights			
Agreements	Workers	Agreements	Workers	Agreements	Workers	Agreements	Workers	Agreements	Workers	
All industries -----	1,773	7,447.0	860	3,501.5	147	632.2	713	2,869.3	913	3,945.6
Manufacturing -----	1,023	4,129.7	645	2,800.7	117	522.6	528	2,278.1	378	1,329.0
Ordnance and accessories -----	19	78.3	17	75.9	1	1.0	16	74.9	2	2.4
Food and kindred products -----	124	374.5	40	119.5	6	11.6	34	107.9	84	255.0
Tobacco manufactures -----	11	24.1	3	5.3	-	-	3	5.3	8	18.8
Textile mill products -----	28	79.8	14	31.4	1	1.0	13	30.4	14	48.4
Apparel and other finished products -----	52	427.8	8	20.9	5	15.4	3	5.5	44	406.9
Lumber and wood products, except furniture -----	12	19.0	3	4.4	1	1.1	2	3.4	9	14.6
Furniture and fixtures -----	15	25.9	9	16.7	1	3.5	8	13.2	6	9.3
Paper and allied products -----	56	127.3	27	46.2	7	16.7	20	29.6	29	81.1
Printing, publishing, and allied industries -----	37	73.5	5	5.5	1	1.0	4	4.5	32	68.0
Chemicals and allied products -----	61	112.7	40	79.0	3	4.3	37	74.7	21	33.7
Petroleum refining and related industries -----	18	54.8	10	35.0	5	17.4	5	17.6	8	19.8
Rubber and miscellaneous plastics products -----	24	109.1	20	79.4	9	58.2	11	21.2	4	29.8
Leather and leather products -----	22	76.7	12	36.7	-	-	12	36.7	10	40.0
Stone, clay, and glass products -----	30	114.3	24	93.4	11	66.7	13	26.7	6	20.9
Primary metal industries -----	109	599.3	97	572.7	8	30.3	89	542.5	12	26.6
Fabricated metal products -----	57	141.5	45	107.5	6	14.7	39	92.8	12	34.0
Machinery, except electrical Electrical machinery, equipment, and supplies -----	98	262.7	75	186.2	10	25.7	65	160.6	23	76.5
Transportation equipment -----	121	969.1	105	921.6	17	148.0	88	773.6	16	47.6
Instruments and related products -----	22	45.4	13	18.9	4	5.2	9	13.7	9	26.5
Miscellaneous manufacturing industries -----	9	17.7	4	5.6	1	2.1	3	3.6	5	12.1
Nonmanufacturing -----	750	3,317.4	215	700.8	30	109.6	185	591.3	535	2,616.6
Mining, crude petroleum, and natural gas production -----	20	238.8	14	26.3	1	1.0	13	25.3	6	212.5
Transportation ¹ -----	107	688.4	18	115.2	2	26.3	16	88.9	89	573.2
Communications -----	81	513.7	16	87.2	4	5.4	12	81.9	65	426.5
Utilities: Electric and gas -----	86	207.2	72	162.7	2	2.7	70	160.1	14	44.5
Wholesale trade -----	15	28.4	3	3.9	1	1.5	2	2.4	12	24.5
Retail trade -----	116	303.9	37	92.1	11	25.4	26	66.7	79	211.9
Hotels and restaurants -----	38	175.6	10	34.7	2	6.3	8	28.4	28	140.9
Services -----	62	218.6	22	98.9	6	35.6	16	63.3	40	119.7
Construction -----	221	898.1	21	77.1	1	5.5	20	71.6	200	821.0
Miscellaneous nonmanufacturing industries -----	4	44.9	2	2.9	-	-	2	2.9	2	42.0

¹ Excludes railroad and airline industries.

NOTE: Because of rounding, sums of individual items may not equal totals.

Prevalence

Of the 1,773 major agreements studied, slightly less than half (860) contained a formal statement of management rights (table 1). These agreements affected 3.5 million of the 7.5 million workers under all major agreements, or 47 percent.

Manufacturing industries, where nearly 3 of 5 agreements included a formal statement, accounted for three-fourths of all the agreements. Contributing significantly to this concentration were contracts in the primary metals, machinery and electrical machinery, and transportation equipment industries. Except for utilities, nonmanufacturing industries had a significantly lower proportion of agreements with rights clauses (3 out of 10).

Single employer units accounted for the bulk (90 percent) of all management rights provisions.

Type of employer bargaining unit	<u>Total studied</u>		<u>Total with formal management rights</u>	
	Agreements	Workers (in thousands)	Agreements	Workers (in thousands)
Total -----	1,773	7,447.0	860	3,501.5
Single employer -----	1,098	4,229.1	769	3,124.8
Multiemployer -----	675	3,217.9	91	376.7

NOTE: Because of rounding, sums of individual items may not equal totals.

Less than 15 percent of the agreements negotiated by multiemployer units included such provisions as against 70 percent for employers bargaining on their own. Multiemployer units, as used in this study, include (1) groups of employers, typically small employers, who have combined to form an association for bargaining purposes and (2) companies signatory to so-called "form" agreements. In multiemployer bargaining situations, the employers' association itself seeks to protect "management rights" for its members, and precedent and a rule of reason may serve this end better than formal agreement provisions, as they often do on other issues. Moreover, disputes that arise between individual companies and the union are often processed through the grievance machinery as a management grievance and are ultimately resolved by the joint arbitration machinery in which the company is represented by the association.⁴

Types of Provisions

Once the basic decision is reached to include a statement of rights in the agreement, a further determination has to be made concerning the form that the statement would take, i. e., whether it will consist only of a broad and general definition of rights (general statement) or contain an enumerated list of specific functions reserved to the employer (enumerated statement).

Each form has its advocates. Those preferring the general statement argue that by enumerating rights important functions may be overlooked inadvertently. Should an issue involving an overlooked right subsequently reach arbitration, the arbitrator could reason that the absence of this right expressed

⁴ See Bulletin 1425-1, op. cit.

the parties' intent; therefore, the function could no longer be exercised by management unilaterally. On the other hand, supporters of enumerated statements have held that specific provisions clearly define the rights of management and thereby offer better protection against their erosion. Furthermore, by furnishing a definite guide to arbitrators, many such clauses, it is claimed, help to resolve disputes that may arise as to the interpretation or application of agreement terms.

The latter argument seems to be the more compelling one, at least up to the time of this study. Enumerated statements, found in 713 agreements, prevailed by a wide margin over general statements found in 147 agreements.

General Statements. Management rights provisions in the form of a general statement were scattered widely among manufacturing and nonmanufacturing industries. The largest concentrations were in electrical machinery (20) and transportation equipment (17). Western Electric agreements accounted for three-fourths of the general statements in electrical machinery, while Boeing and Chrysler agreements together accounted for half the provisions in transportation equipment.

Of the 147 general statements, 115 referred to management rights in broad but discernible areas; i. e., the general right to direct the work force, control production, and manage the business. In enumerated statements, by contrast, each of these general rights would also include a number of specific rights. The language used to set forth these general rights varied little:

The management of the plant and the direction of the working forces, . . . are the exclusive function of the company. (1)

* * *

. . . the company shall continue to have the right to take any action it deems appropriate in the management of the business in accordance with its judgment. (2)

* * *

The union and the locals recognize that . . . the supervision, management and control of the company's business, operations and plants are exclusively the function of the company. (3)

The frequency with which these 115 provisions cited a general right apparently reflected the importance of the issue in the collective bargaining framework. Thus, control of production was referred to in 82 of the 115 provisions, direction of the work force in 80, and management of the business in 57.

The remaining 32 general statements were written so broadly that none of these 3 general rights was explicitly identified. The bulk (27) established residual management rights;⁵ the remaining 5 employed language such as:

The union recognizes the rights of the employer . . . , and the employer recognizes the rights of the union and the individual employees . . . (4)

* * *

The union recognizes the right of management to direct and control the policies of management . . . (5)

* * *

There will be no interference with, coercion, or restraint of the company in its exercise of the function of management . . . (6)

Enumerated Statements. Of the 860 management rights provisions, 713 scattered broadly throughout manufacturing and nonmanufacturing agreements contained a listing of specific management rights.

Some provisions were relatively simple and short, as illustrated by the following examples:

The union agrees that it is the right of the company to engage and dismiss employees and to maintain order and efficiency of operation. (7)

* * *

The conduct of the business and all the duties and responsibilities of management, including . . . the right to hire and fire, the directing of the working force, establishment of shifts and assignment of work by the company, is vested exclusively in the company . . . (8)

* * *

It is agreed that the management of the company in all its aspects shall continue to be vested in its board of directors and the officers and agents designated by it, and that the company has the sole right to determine the methods of work and standards of performance of each job and to make changes therein. (9)

Others, however, were lengthy, with particular rights illustrated in detail:

The right to hire; promote; discharge or discipline for cause; and to maintain discipline and efficiency of employees, is the sole responsibility of the corporation except that union members shall not be discriminated against as such. In addition, the products to be manufactured, the location of plants, the schedules of production, the methods, processes, and means of manufacturing are solely and exclusively the responsibility of the corporation. (10)

* * *

It is agreed that . . . the company retains the sole right to manage the affairs of the business and to direct the working forces of the company. Such functions of management include but are not limited to the right to:

Determine the methods, products and schedules of production, locations of production, the type of manufacturing equipment and the sequence of manufacturing processes within the works.

Determine the basis for selection, retention and promotion of employees for occupations not within the bargaining unit established in this contract.

Maintain discipline of employees including the right to make reasonable rules and regulations for the purpose of efficiency, safe practices, and discipline. The company will inform the union of any changes in existing rules and regulations or the establishments of new rules and regulations before such changes are made effective. Provided, however, that any complaint as to the reasonableness of such rules or any grievance involving claims of discrimination against any employee in the application of such rules shall be subject to the grievance procedure of this contract.

Direct generally the work of employees subject to the terms and conditions of this contract, including the right to hire, to discharge, to suspend or otherwise discipline employees for good cause, to promote employees, to demote or transfer them, to assign them to shifts, to determine the amount of work needed and to lay them off because of lack of work.

Determine the number and location of the company's plants. (11)

* * *

The management of each employer and its operations, the direction of the work force, including the right to hire, retire, assign, suspend, transfer, promote, discharge, or discipline for just cause, and to maintain discipline and efficiency of its employees and the right to relieve employees from duty because of lack of work or for other legitimate reasons; the right to determine the extent to which the plant shall be operated; the right to introduce new or improved production methods, processes or equipment; the right to decide the number and location of plants, the nature of equipment or machinery, the products to be manufactured, the methods and processes of manufacturing, the scheduling of production, the method of training employees, the designing and engineering of products, and the control of raw materials; the right to assign work to outside contractors and to eliminate, change, or consolidate jobs and operations (subject to giving the union notice of such change); and the right to enact company policies, plant rules, and regulations which are not in conflict with this agreement, are vested exclusively in the employer. (12)

* * *

The management of the business, including the right to plan, determine, direct, and control store operations and hours; the right to study and introduce new methods, facilities, and products; the right to direct and control the work force, including the determination of its size and composition, the scheduling and assignment of work; and also including the right to hire, assign, demote, promote and transfer, to layoff or reduce the hours of work because of lack of work, to discipline, suspend or discharge for proper cause, and to establish and maintain reasonable rules and regulations covering the operation of the store, a violation of which shall be among the causes for discharge, is vested in the company; . . . (13)

* * *

Article V—Management

The company alone shall determine:

What business shall be taken and done and how same shall be done;

What charges and rates therefor shall be;

What materials, supplies, equipment, and machinery shall be used and from whom the same shall be purchased or procured;

The manner and method of operating the business;

Number of employees necessary and their competency;

Who shall be employed and discharged. . . . (14)

Most frequently, enumerated provisions prefaced their listing of prerogatives with a statement of management's general rights (i. e., to direct the work force, control production, or manage the business).

The management of the plant and the direction of the working forces is vested exclusively in the company, and the company shall continue to have all rights customarily reserved to management, including the right to hire, promote, suspend, discipline, transfer, or discharge for proper cause; the right to relieve employees from duty because of lack of work or other proper reasons; the right to schedule hours or require overtime work; and the right to establish rules pertaining to the operation of the plant, is vested in the company, provided, however, that this shall not be done in a manner which is in conflict with any other provision of this agreement.

The company shall have the sole right to decide the process of manufacture, types of machinery and equipment to be used, types and quantities of products to be made, quality of material and workmanship required, selling prices and products, methods of selling and distributing products. (15)

* * *

The management of the plant and the direction of the working forces, including but not limited to the right to employ, promote, demote, or discharge for proper cause; and the right to relieve members of the working force from duties because of lack of work and to decide the methods and schedules of production are vested exclusively in the company. . . . (16)

* * *

The company retains the exclusive rights to manage the business and plants and to direct the working forces. The company, in the exercise of its rights, shall observe the provisions of the agreement.

The rights to manage the business and plants and to direct the working force include the right to hire, suspend or discharge for proper cause, or transfer, and the right to relieve employees from duty because of lack of work or for other legitimate reasons. (17)

Where the prefatory statement referred to more than one general right, the enumerated list commonly carried examples of each. However, in some provisions the general right was not spelled out among the enumerated items. In clauses where only some of the general rights were enumerated, the item typically defined dealt with the direction of the work force. Least likely to be illustrated was the right to manage the business.

Areas of Enumeration. In general, matters of concern in the management rights area were evidenced by the number of times three broad issues were enumerated in agreements. Virtually all of these provisions emphasized actions relating to the direction of the work force, such as the determination of its size, work assignments, and scheduling of hours and overtime, while nearly three-fifths included various items dealing with production methods, e.g., introduction of new machinery, determination of means of production, processes, workloads, etc. Far less prevalent were references to the conduct of such business affairs as type of product to be made, pricing, sales policies, etc.

	Agreements	Workers (in thousands)
Total enumerated provisions ¹ ----	713	2, 869. 3
Direction of the work force ----	679	2, 650. 2
Control of production -----	409	1, 780. 8
Conducting the business -----	248	1, 179. 5

¹ Nonadditive.

The frequencies with which these broad issues appeared shifted sharply as between general and enumerated statements of management's rights. Provisions referring to the direction of the work force appeared more frequently in enumerated statements, whereas control of production and management of the business were found less often than in general statements. Apparently, if it was determined to list rights, those involving the direction of work force were considered to be of greatest importance.

Issue	Percent referring to the issue in	
	Enumerated provisions	General provisions
All provisions ¹ -----	100.0	100.0
Direction of the work force --	95.2	69.6
Control of production -----	57.4	71.3
Management of the business--	34.8	49.6

¹ Nonadditive.

Selected Enumerated Rights

To examine certain enumerated rights in detail, a sample of nearly one-fourth (420) of the 1,773 agreements in the study was analyzed. Almost 52 percent of the agreements in the sample (218), as against 48 percent in the universe, had management rights provisions; almost 80 percent of the agreements with management rights provisions in the sample (174) were enumerated as against almost 83 percent for the universe. These 174 enumerated provisions were the basis for detailed tabulations illustrating selected rights except for those dealing with subcontracting and the location and number of plants, where the full universe of 713 enumerated provisions was used.

The kinds of rights analyzed were not those commonly found in management rights clauses, such as the rights to hire, fire, promote, and demote. Instead, emphasis was placed upon locating those functions which seemed to be especially relevant in an industrial relations environment experiencing changes in technology, work force composition, and levels of employment.

For purposes of presentation, these selected rights are discussed without referring to the limitations that have been written into such clauses. It should be kept in mind, however, that the bulk of clauses tabulated were written with various restrictions upon the employer's exercise of the rights specifically set forth.⁶

Management of Business.⁷ Rights dealing with management of business focused on (1) the determination of distribution and pricing policies, (2) the formulation of financial policies and accounting procedures, (3) the determination of managerial organization, and (4) the determination of the product to be manufactured and sold (including research and development) which was by far the most numerous.

As a general rule, provisions referring to rights involving management of the business listed employer functions in more than one of the areas listed above.

The union recognizes the company's right to manage the plant, including . . . the right to determine parts, services, and products to be manufactured or purchased . . . the size and character of inventory, the determination of financial policies including all accounting procedures, prices of goods sold and customer relations and the determination of the management of the organization. (18)

* * *

. . . the right to direct and control plant operations . . . includes . . .

- b. . . . the manufacture and distribution of the materials to be used and the size and character of inventories.
- c. The determination of financial policies including accounting procedures . . . and customer financial relations.
- d. The determination of management organization. (19)

* * *

. . . deciding . . . the products to be manufactured . . . the designing and engineering of products and the control of raw materials . . . (20)

* * *

Specifically, the union agrees, in order to clarify its recognition of management functions belonging exclusively to the company, not to request the company to bargain with respect to the following: . . .

The right to determine all methods of selling, marketing, and advertising products, including pricing of products.

The right to make all financial decisions including but not limited to the administration and control of capital, distribution of profits and dividends, mortgaging of properties, purchase and sale of securities, and the benefits and compensation of nonunion-represented personnel, the financing and borrowing of capital and the merger, reorganization or dissolution of the corporation, together with the right to maintain the corporation's financial books and records in confidence. This right includes the determination of general accounting procedures, particularly the internal accounting necessary to make reports to the owners of the business and to government bodies requiring financial reports.

The right to determine the management organization of each producing or distributing unit and the selection of employees for promotion to supervisory and other managerial positions. (21)

⁶ See pp. 19-23 for a full discussion of limitations upon management rights provisions.

⁷ Since rights dealing with management of the business, as defined, were considered more remote in their effect upon worker's interests than others, none were tabulated. The clauses are cited to illustrate contract language on these points.

Direction of the Work Force. Of the 174 provisions, enumerating rights, almost 80 percent contained one or more of four rights concerned with the direction of the work force that were selected for study.⁸

	Workers Agreements (in thousands)	
Total enumerated provisions -----	174	970.1
Total with selected rights to direct the work force ¹ -	135	447.5
Size of work force -----	126	406.9
Scheduling hours, overtime, shifts -----	34	163.6
Assignment of work -----	22	120.0
Training -----	6	31.8

¹ Nonadditive.

Chief among these particular rights was the employer's right to determine the size of the work force, the term being defined broadly to include not only the number of workers, but also the composition or skill mix of the work force, layoff and recall of employees, and the involuntary retirement of workers by management under a pension plan.

The following clauses are illustrative:

. . . to determine, and from time to time redetermine, . . . the number and classes of employees to be employed or retained in employment. . . . (22)

* * *

The company . . . shall have the right to determine how many employees it will employ or retain in various capacities and the size and composition of working forces . . . (23)

* * *

Management, at its own discretion, shall have the right to select persons for employment, to retire employees in accordance with the provisions of the "plan for employees pensions," . . . (24)

References to the other selected rights dealing with the direction of the work force were found much less frequently. The scheduling of hours and shifts, for example, usually was treated at length in the body of the agreement; that is, the details of scheduling were subject to bargaining and were agreed upon. Consequently, only a few agreements (34) dealt with these matters in the management rights clause. Where the management rights provisions made such a reference, it was usually phrased as follows:

. . . to establish daily and/or weekly hours of work by groups of employees, and/or individual employees . . . (25)

* * *

. . . the establishment of the opening and closing time of stores, the assignment of employees starting and stopping hours, the right to interchange employees starting and stopping hours . . . (26)

* * *

. . . the number of shifts to be worked, the hours of the shifts, including starting and quitting time . . . (27)

⁸ Not tabulated among the selected rights, as previously noted, were the rights to hire, discipline, discharge for cause, transfer, promote and demote, and other rights commonly found in provisions.

Similarly, the determination of work assignment is governed by rules stipulated in the body of the contract in jurisdictional, seniority, and temporary transfer provisions. As a consequence, few management rights provisions (22) referred to it. One such reference reads:

The employer alone shall determine . . . what tasks and work shall be assigned to the various employees from time to time and what employees shall from time to time be assigned to the various work . . . (28)

More often, however, the clauses were less specific than in this illustration. A phrase, such as "the assignment of work" or "to transfer work," combined with a number of enumerated rights, was used to cover the issue.

Few references to training appeared in management rights clauses:

Section 1. The management of each employer and its operations, the direction of the work force, . . . the scheduling of production, the method of training employees . . . subject to giving the union notice of such change; and the right to enact company policies, plant rules and regulations which are not in conflict with this agreement, are vested exclusively in the employer. (12)

Control of Production. Nearly three-fifths of the 174 enumerated statements of managements rights referred to the right to determine methods of production and/or to introduce and install machinery.⁹ Both were especially pertinent for introducing technological change:

	Agreements	Workers (in thousands)
Total enumerated management rights provisions -----	174	970.1
Total with selected rights to control production ¹ -----	102	726.2
Determine methods of production ---	99	719.2
Introduce and install machinery ----	83	652.6

¹ Nonadditive.

Provisions setting forth the employer's right to determine production methods were typically phrased as follows:

. . . the determination of what shall be produced and how it shall be produced are vested in the company . . . (29)

* * *

It shall be the exclusive right of the company to determine . . . the methods, . . . processes, and means of manufacture . . . (30)

* * *

. . . the right to study or introduce new or improved production methods or facilities . . . (31)

Some provisions included references to the flow or sequence of production, thereby elaborating on the productive areas covered by management's right:

⁹ Not tabulated in the sample were other rights concerning the control of production, such as the right to schedule production, to establish shop or plant rules and regulations, plant safety procedures and programs, etc. Plant location provisions are discussed later in this section.

. . . Determine the methods, products and schedules of production . . . and the sequence of manufacturing processes. (32)

* * *

. . . to establish methods and processes . . . and . . . to control the course of flow, methods, and system of production . . . (33)

The employer's right to introduce new machinery or equipment was expressed in more diverse language, among which was the following:

. . . the control and regulations of the use of equipment and other property of the employer . . . and making decisions of technological methods and processes. (34)

* * *

. . . Nothing in this agreement shall be construed to in any way restrict the installation, use, or application of labor-saving devices or equipment. (35)

* * *

Without limiting any of its managerial rights, The company shall have the . . . unqualified right to install, alter, improve, locate, relocate, or discontinue any machinery or equipment . . . (36)

Eighty of the 83 provisions linked the right to make technological changes with the right to determine or change production methods.

In the event that the contemplated changes in methods of production would have a significant effect upon the work force, a few management rights provisions called for advance notice to the union:

. . . to introduce mechanization changes or palletized loading or the use of other equipment as may arise out of the requirements of its business; however, the employer agrees to discuss in advance with the union any broad changes in its operation which would result in the elimination of a substantial number of jobs for members of the local union. (37)

* * *

In the interest of progress and the development of the business of the company, it is agreed that there will be no interference with the right of the company to regulate the methods of production or kind of materials, supplies, machinery, apparatus, and equipment used.

If, due to the introduction of new machines, methods, apparatus, etc., there is a substantial reduction in force in a department or departments, the union may request a meeting with the company to determine whether or not the employees affected can be retained in the service of the company. (38)

One agreement, however, specified that the anticipated impact upon the work force would not limit the employer's right to change production methods or machinery:

. . . the right to introduce new or improved methods, facilities, and equipment without regard to whether the same shall reduce the aggregate number of employees or alter or change the type of work of any employee. (39)

Subcontracting. Controversies surrounding management's right to subcontract work have erupted frequently in recent years and have led to a number of arbitration, NLRB, and court cases.

In a major decision involving the Fibreboard Paper Products Corporation, the Supreme Court in December 1964, determined that the employer was obligated to bargain with the union over its economically motivated decision to

subcontract certain work.¹⁰ The Court narrowed the scope of its decision to the facts of the case, but it has been the basis for NLRB actions directing employers to give notice and opportunity, to bargain with unions on subcontracting decisions where it involves (a) a departure from previously established practice; (b) effects a change in employment conditions; or (c) results in the impairment of job security or reasonable anticipated work opportunities.¹¹ Thus, any assertion of management right to subcontract may be circumscribed.

A 1959 Bureau study of subcontracting provisions found few management rights clauses specifically asserting exclusive employer jurisdiction over subcontracting decisions.¹² In this study of management rights provisions, only 31 of 713 enumerated statements specifically referred to contracting out, but not all of the 31 provisions left management free of restrictions in exercising this right.

In form, those provisions not setting limits on the employer simply stated management's right to subcontract, among a listing of other rights:

. . . The company retains the sole right to manage the affairs of the business and to direct the working forces of the company. Such functions of management include . . . the right to . . . subcontract work . . . (40)

* * *

All functions, authorities and prerogatives, not notified, abridged, or limited by this agreement, including the management of the plant, the direction of the work force, (and) the right to subcontract . . . are retained by and vested exclusively in the employer. (41)

The following two provisions declared that the right to subcontract would not be subject to the grievance and arbitration machinery:

. . . The right of the company in its discretion, in whole or in part, . . . to subcontract work, as circumstances require, is expressly recognized . . .

The management rights of the company specified above are exempt from (the arbitration clause) . . . (42)

* * *

The management of the plant and the direction of the working forces, including . . . the contracting or subcontracting of production, service, maintenance, or other type of work performed by the company . . . are vested exclusively in the company, and . . . are not subject to the arbitration procedures provided in this agreement. (43)

One hospital agreement exempted subcontractors from the terms of the contracting employer's agreement:

. . . to enter into agreements with others for the performance of any of its operations either inside or outside its present premises . . . In . . . the foregoing event, the provisions of this agreement shall not be binding . . . upon any person performing inside or outside of the employer's premises any part of the hospital operations. (44)

A clause in one contract appeared to be a forceful statement of exclusive employer control over subcontracting—disallowing collective bargaining and barring union use of the grievance machinery—but it also stipulated that the employer could not discriminate or avoid bargaining with the union:

¹⁰ Fibreboard Paper Products Corp. v. NLRB, 379 U.S. 203.

¹¹ See Westinghouse Electric Corp. 58 LRRM 1257.

¹² Subcontracting Clauses in Major Collective Bargaining Agreements (BLS Bulletin 1304, 1961). A new study is in progress.

. . . the exercise by the employer of any one or more of its exclusive prerogatives, as defined and limited (below) . . . shall not at any time be subject to collective bargaining, or to review in accordance with the grievance and arbitration procedure provided in this agreement.

The category of exclusive prerogatives retained and reserved to the employer shall expressly include, and nothing herein shall be deemed to limit, impair or qualify, the employer's exclusive right to manage the enterprise, to direct and control operations, and independently to make, and carry out, and execute, all plans and decisions deemed necessary, in its judgment, to the welfare, advancement and best interests of the enterprise. It shall include . . . the amount of work to be subcontracted; provided, however, that no such action shall be taken to discriminate against, or avoid bargaining with the union . . . (45)

Clauses specifically limiting the employer tended to be more detailed than those not doing so. Restrictions varied, but generally were similar to those found in provisions dealing with subcontracting arrangements as such. Thus, subcontracting would not be permitted where it would result in layoffs or part-time work for regular employees, or where it was not discussed with the union:

. . . the company agrees it will not contract out any work which will result in layoffs or lack of work of any employees covered by this agreement during the period of this agreement. (46)

* * *

. . . the company retains and may exercise the free and unrestricted right and privilege to contract or subcontract with any person or persons, not covered by this agreement, and with any firm or corporation (commonly known as outside contractors) for the performance of any work, services, projects, jobs, or operations of the character or nature heretofore so contracted or subcontracted and performed by outside contractors. The company shall not contract or subcontract for or assign any work, services, projects, jobs, or operations to outside contractors or subcontractors and which is normally performed by employees in this the bargaining unit before discussing same with the union. (47)

Number and Location of Plants. Fewer than one-fourth of the 713 contracts containing enumerated provisions used language bearing on plant movement:

Plant location provisions	Agreements	Workers (in thousands)
With enumerated management rights ---	713	2, 869. 4
With reference to number and location of plant ¹ -----	159	931. 6
Location of plant -----	143	910. 4
Number of plants -----	60	358. 3
Close down part or all of a plant, department, operation, or service -	36	88. 4

¹ Nonadditive.

Most of these agreements covered multiplant companies where the transfer of operations and the closing of plants are most likely to occur. Conceivably, plant movement may not be an important issue in many collective bargaining situations. The impact, however, may be pronounced in particular industries and may result in special negotiations to ease its impact on affected workers. In meatpacking, for example, the shutdown of obsolete facilities triggered the formation of the Armour automation fund and study committee;¹³ in apparel, the problem of "runaway" plants was dealt with by provisions limiting the movement of plants beyond a given geographical area. In many cases the parties have negotiated provisions to ease the impact of plant movement (e.g., inter-plant transfer rights, retraining rights, severance pay, etc.).

¹³ For a discussion of this fund, see appendix C.

Of the 159 provisions which included plant movement among enumerated rights, the bulk (143) stipulated that the employer had the right to "locate" plants, implying the right to relocate plants. For example:

The company shall be the exclusive judge of all matters pertaining to . . . the location of plants or operations . . . (48)

In 60 contracts, the clause referred to the employer's right to determine the number of plants. The intent of these clauses may permit the employer to reduce or shut down facilities as well as to increase or start new operations. Often the authority to locate plants and the right to determine the number of plants appeared together.

Thirty-six agreements were more explicit. In clear terms, as in the following examples, they spelled out the employer's right to shut down plants in whole or in part:

. . . to close any department or the entire plant . . . (49)

* * *

. . . remove the plant to another location as circumstances may require, or close or liquidate the plant. In case the company should determine that the plant shall be closed, removed, or liquidated, the union agrees that the operation shall continue without any slowing down until all stock and processes have been completed. (50)

Some provisions included special restrictions upon the employer's right to shut down facilities. The employer, for instance, could exercise his administrative initiative, subject to the union's right to use the grievance procedure; or the employer was required to consult with the union; or he was required to give consideration in hiring to workers from the abandoned plant or operation:

. . . the right to change, relocate, abandon, or discontinue any production, services, methods, or facilities; or to introduce new or improved materials, methods or facilities . . . The foregoing shall not be taken, however, as a limitation upon the rights of the union to represent the employees covered hereby in the procedures provided in this agreement. (51)

* * *

It is understood and agreed that the company reserves the right to expand, limit, or curtail its operations, or to close down completely when the company considers it advisable to do so. In the event of any such change of major proportion, the union will be notified at once, and at the request of the union the company will meet with the union bargaining committee to consider the seniority provisions of this agreement. A change of major proportion is meant to mean a reduction in force of 20 percent or more in any seniority department. (52)

* * *

The right of the company in its sole discretion to diminish or discontinue operations in whole or in part, or to remove the plant, or any part or parts thereof, to another location or locations from time to time as circumstances may require, are recognized. In the event of any such removal of the plant or parts thereof to a new location, consideration will be given to requests of employees involved for jobs at such location. (53)

Residual Rights

Slightly more than a third of all management rights provisions included a savings clause reserving for the employer all those rights not specifically abridged or affected by the provisions in the collective bargaining agreement. Moreover, the rights enumerated were to be considered illustrative rather than all-inclusive. Nearly three-fifths of the provisions including a residual clause were concentrated in six manufacturing industries:

Industry	With management rights provision	With residual rights	Percent with residual rights
All industries -----	860	298	34.7
Manufacturing -----	¹ 645	¹ 253	39.2
Chemicals -----	40	21	52.5
Primary metals -----	97	23	23.7
Fabricated metal products ---	45	18	40.0
Machinery -----	75	39	52.0
Electric machinery -----	74	30	40.5
Transportation equipment ---	105	46	43.8
Nonmanufacturing -----	215	45	20.9

¹ Includes industries not shown separately.

In 27 agreements, the residual rights provision was linked with a general statement of management rights.

Company shall continue to have all of the rights which it had prior to the execution of this agreement except such rights as are relinquished herein. (54)

* * *

It is not the purpose of this agreement to infringe or impair the normal right of the company to make and place in effect its decisions. Any of the rights, powers, or authority the company had prior to the signing of this agreement are retained by the company, except those specifically abridged, delegated, granted, or modified by this agreement. (55)

* * *

Subjects or procedures not specifically covered in this contract and which in the normal course of events are management's prerogatives shall remain within the discretion of management. (56)

* * *

Nothing contained in this agreement shall be deemed to limit the company in any way in the exercise of the regular generally recognized customary functions and responsibilities of management unless such functions and responsibilities are contrary to the express provisions of this agreement. Moreover, such functions of management as may be included herein shall not be deemed to limit other functions of management not specifically included herein. (57)

Most residual rights statements were found in enumerated provisions in two major forms.

Type of residual rights statement	Agreements	Workers (in thousands)
Total with management rights provisions -----	860	3,501.5
Total with residual rights provisions ¹ -----	298	1,129.0
Enumerated rights not inclusive -----	199	685.6
Rights not modified by contract are retained by management -----	117	503.9
Rights not exercised are not thereby waived -----	8	19.2
Residual rights are not subject to arbitration -----	6	12.2
Other ² -----	1	3.7
No reference to residual rights -----	562	2,372.5

¹ Nonadditive.

² Residual rights of management are reinforced by statement that rights waived in past grievance settlements or otherwise are not to be considered departures from the inherent rights of management.

NOTE: Because of rounding, sums of individual items may not equal totals.

The most frequent approach adopted to reserve rights for management was a statement emphasizing that the listing of specific rights was not inclusive.

The employer shall have full right to direct the progress of the work and to exercise all function and control, including but not limited to . . . (58)

* * *

Other rights and responsibilities belonging solely to the management . . . are hereby recognized prominent among which, but by no means wholly inclusive are . . . (59)

* * *

It is recognized and agreed that in addition to other functions and responsibilities which are not otherwise specifically mentioned in this paragraph, the company has and will retain the sole right and responsibility . . . (60)

* * *

. . . It is agreed that these enumerations of management prerogatives shall not be deemed to exclude other prerogatives not herein enumerated. (61)

The second most prevalent approach provided that rights not "modified," "abridged," "delegated," or "granted" anywhere in the collective bargaining agreement were reserved to the employer.

. . . If not specifically set forth in this agreement, there shall be no abridgement or diminution of any function, authority, right, or responsibility of the company. (62)

* * *

. . . Without limitation, implied or otherwise, all matters not specifically and expressly covered or treated by the language of this agreement may be administered for its duration by the company in accordance with such policy or procedure as the company from time to time may determine. (63)

* * *

. . . and, in addition, the company retains and reserves all other rights which it possessed prior to the making of this agreement, subject only to the extent that such rights of management are specifically relinquished or limited under the terms of this agreement. (64)

* * *

All functions of every kind directly or indirectly involving the operation of the store and not specifically dealt with in this agreement are reserved to the company . . . (65)

Eight clauses stipulated that rights not exercised were nevertheless retained by the employer. One such clause read:

The company's not exercising rights hereby reserved to it, or its exercising them in a particular way, shall not be deemed a waiver of said rights or of its right to exercise them in some other way not in conflict with the terms of this agreement. (66)

As an additional safeguard, six contracts excluded residual rights from the grievance and arbitration procedures. Clauses from three of these contracts follow:

Except as specifically abridged, delegated, granted, or modified by this contract, all of the rights, powers, prerogatives, and authority the company had prior to the execution of this agreement are retained by the company and remain exclusively and within the rights of management and are not subject to the grievance-arbitration procedures. (67)

* * *

Except as otherwise specifically provided in this agreement, the company retains all the rights and functions of management that it has by law and the exercise of any such rights and functions shall not be subject to arbitration. (68)

* * *

. . . All rights heretofore exercised by the company or inherent in the company and not expressly contracted away by the terms of this agreement are retained solely by the company. Such rights shall not be subject to arbitration and may not be impaired by any arbitrator in any decision rendered by him. (42)

Limitations

Explicit restrictions on management rights were imposed in more than 90 percent of the agreements with such provisions.

Limitations	Management rights provisions		
	Total	General statements	Enumerated statements
Total with provisions -----	860	147	713
Rights limited -----	801	131	670
Rights not limited -----	59	16	43

Only 59 contracts placed no specific restrictions upon the employer in the exercise of his rights. Some stressed that the rights listed could be exercised "without limitations," or "without interference" or would not be subject to negotiations:

The management of the plant and the direction and control of the working force, including without limitation of the foregoing, the right to hire, transfer, and to suspend, discharge, or terminate for proper cause, are vested exclusively in the company. (69)

* * *

. . . in no instance shall the union or its representatives interfere with the exercise of such authority and responsibility. The employer reserves the right at all times to be free from interference regarding the persons, firms, and corporations from whom it makes purchases, and also with whom it makes contracts for hauling and delivery and construction and repair of buildings occupied by, or to be occupied by, the employer; and the union agrees not to interfere in any respect with such purchases and contracts, or with the lawful and legitimate conduct of the business by the employer. (70)

* * *

The direction of the working force and the management of the business are vested exclusively in the company, and neither these matters nor other regular or customary functions of management shall be within the scope of this agreement nor the subject of collective bargaining negotiations. (71)

The 801 provisions which set one or more limitations upon management's use of its rights, in effect restricted the management prerogative to matters not preempted by an agreement provision. In about 15 percent of these provisions, some, but not all the rights set forth in the provision, were limited. Most likely to be limited were functions concerned with the direction of the work force. However, the particular rights that were limited, or conversely,

those that remained unabridged, varied among agreements, perhaps reflecting the accommodations arrived at by the parties on particular issues.

1. The company shall exercise the functions of hiring, transferring, promoting, demoting, suspending discharging, laying off, recalling, and the establishment of rules and regulations at its sole discretion, except as these functions are specifically restricted by the terms of this agreement.
2. The type of product manufactured, the location of plants, the planning and scheduling of production, the scheduling of work hours, the establishment of labor standards, and the introduction, of new production methods and new or improved machinery shall be the exclusive function of management . . . (72)

* * *

Section 2. Guides in the Adjustment of Differences

. . . as guides in adjusting and settling . . . differences the parties agree that:

- (a) Sole company responsibilities: The determination of the type of products to be manufactured, the location of plants, the methods, the schedules of production, processes, and means of manufacture are solely the responsibility of the company.
- (b) Qualified company responsibilities: The management of the plants and the direction of the working forces, including but without being limited to the right to hire, promote, demote, transfer, classify, reclassify, make layoffs for lack of work or other legitimate reasons, and for just cause to discharge, suspend, or otherwise discipline employees, are vested exclusively in the company, provided, however, that the company shall take no action in connection with these matters that is prohibited by this agreement. (73)

* * *

The management of the Greensboro plant is the full responsibility of the company and shall include the sole right to plan, direct, and control operations; to establish daily and/or weekly hours of work by groups of employees, and/or individual employees; to hire, discipline, suspend, or discharge employees for proper cause; the right to select materials used in manufacture, to introduce new or improved production methods and/or facilities, provided that such authority shall not be exercised so as to conflict with any of the other provisions of this agreement.

It shall be the sole right of the company to diminish operations in whole or part, or to remove the plant for operation or business of same or any part thereof, to any other location as circumstances may require. (74)

* * *

Section 5. Functions of Management

A. The union recognizes the exclusive right of the company to determine its operating policies and manage its business in the light of experience, business judgment, and changing conditions. It is understood and agreed that all rights, powers, or authority possessed by the company prior to the signing of this agreement shall be retained by the company. However, the grievance procedure hereinafter set forth in article III shall be applicable to complaints regarding the meaning, application, interpretation, or administration of any provision of this agreement limiting the following functions of management, which are the only ones limited by this agreement, namely, the right to: Determine the qualifications of and select employees for promotion; transfer employees from one job to another and from one classification to another; determine the number and arrangement of work shifts; determine the starting and stopping time of each shift; contract for construction or other work when in the judgment of the management such action is to the best interest of the company; determine which employees shall be laid off; prepare job titles and definitions, establish job classifications and determine the work to be performed by employees; discipline employees for misconduct on the job or other violation of rules and discharge employees for just cause.

B. Other functions of management include the right to determine the qualifications for and select its managerial and supervisory forces; select and hire new employees and determine the qualifications needed; determine the number of employees it will have in its service at any time; adopt, and revise when necessary, reasonable rules and regulations governing the operation of its business and the conduct of its employees on the job; introduce new plants and facilities; relocate facilities; discontinue the operation of plants and facilities and introduce new methods to improve operating efficiency.

C. It is understood and agreed, however, that the functions of management referred to in this section 5 are not all-inclusive and that the omission of any of the usual inherent and fundamental rights of management does not constitute a waiver of such rights by the company.

D. It is also understood and agreed that the following, to the extent that they pertain to former Penn Water employees, are matters for determination solely by the company and may be modified or terminated at any time by the company at its discretion:

- (1) Rental of company-owned dwellings.
- (2) Recreational facilities.
- (3) Any other existing practice not specifically provided for in this agreement, the modification or termination of which is not inconsistent with any provision of this agreement. (75)

A review of a sample of general and enumerated statements revealed that one restriction, by far more prominent than all others, emphasized that the exercise of management's rights could not conflict with other provisions of the contract and thus underlined the supremacy of specific agreement provisions which modify management's rights. This restriction, of course, is implied in all written agreements:

Nature of limitations	Workers	
	Agreements	(in thousands)
Total general and enumerated statements -----	218	1,144.2
Having limitations ¹ -----	205	1,082.6
Limited by other provisions of the contract ----	185	702.8
Safeguard against abuse or discrimination ----	48	439.6
Limited by resort to grievance machinery ----	46	142.0
Required to discuss or negotiate with union ----	10	18.4
No specific limitations -----	13	61.6

¹ Nonadditive.

The following clauses are examples of statements in contracts limiting management's rights by other provisions of the contract:

. . . subject only to the express and specific provisions of this agreement. (76)

* * *

. . . provided that in carrying out these managerial functions the company does not violate the terms of this agreement. (77)

* * *

. . . unless expressly limited by this agreement . . . (78)

* * *

. . . none of the provisions of this paragraph shall supersede any of the other provisions contained in this contract. (79)

In 48 provisions, the employer agreed not to exercise his rights in an arbitrary or capricious manner or (in a few cases) to discriminate against employees or applicants for employment because of union activity or for other reasons:

. . . The provisions of this article shall not be used arbitrarily or capriciously as to any employee or for the purpose of discriminating in any manner against the union of its members. (80)

* * *

. . . provided, however, that such rights shall not be used so as to discriminate against any employee because of membership in the union or in a manner inconsistent with the provisions of this agreement. (81)

* * *

. . . but such rights shall not be employed for the purposes of discrimination against the employee because of bona fide activities on behalf of the union or because of race, creed, color, or political belief. (82)

About the same number (46) of provisions, specifically made management's rights subject to the grievance procedure. Under such a proviso, management could initiate policy, subject to subsequent challenge by the union as to whether it constituted a violation of the agreement:

. . . except as hereinafter limited by grievance procedure. (83)

* * *

. . . provided any decision . . . which is contrary or in violation of the provisions of this agreement shall be subject to the grievance procedure. (84)

* * *

The responsibilities given to the company in this article shall not be exercised in an arbitrary or unreasonable manner, and any action taken by management hereunder insofar as it may have a substantial effect on wages, hours, or working conditions of employees, shall be reviewable under the grievance and arbitration procedure provided in this agreement. (85)

Some provisions stipulated how the grievance procedure was to be used in challenging the employer's administrative initiative. Thus, the grievance procedure could be employed against disciplinary actions; or it could be employed only if interpretation or application of the agreement was involved; or, with respect to certain matters, grievances could be brought, but arbitration was disallowed:

. . . and, excepting disciplinary suspensions and discharges, are not subject to the arbitration procedures provided in this agreement. (43)

* * *

. . . it being understood however that grievances arising under this section may be taken to arbitration provided such grievances involve the application or interpretation of other sections of this agreement which relate to those subjects . . .

. . . However, any question arising as to the adequacy of any production standards or inspection frequency shall be subject to the grievance procedure, but not arbitration. (86)

In 10 provisions, the company was required to give notice, consult, or bargain with the union if, in exercising certain rights, specific changes were made:

. . . It is agreed that the company will give the union 10 days notice of any anticipated major change in the company's methods of operations. (87)

* * *

. . . Should any question arise as to the reasonableness of any new schedules of work, the company shall upon request of the union, consult with respect to any such question. (88)

* * *

Over a third of the provisions set more than one restriction upon the employer's rights:

The responsibilities given to the company in this article shall not be exercised in an arbitrary or unreasonable manner, and any action taken by management hereunder insofar as it may have a substantial effect on wages, hours, or working conditions of employees, shall be reviewable under the grievance and final settlement procedure provided under this agreement. (90)

* * *

. . . provided, however, and the company hereby agrees, that such rights shall not be used so as to discriminate against or be unfair to any member of the union and it shall not be used in a manner that will conflict with or violate any of the terms or provisions of this agreement, and further, should the provisions of any rule instituted by the company be challenged on the grounds that it is unreasonable, this shall raise a dispute issue for disposition under the contract. (91)

Revisions of Management Rights Clauses

To determine the extent and nature of changes in management rights clauses over a period of time, a sample of 142 agreements, distributed over a variety of industries and unions, was selected for special analysis. The clauses could be traced back to 1955 or 1956.

This analysis indicated that in about four-fifths of the agreements the management rights clause, once negotiated, was left undisturbed. Changes were noted in 28 agreements, including 8 in which such a clause was added for the first time. In two agreements, two separate revisions were made in clauses appearing in the earliest contracts examined.

Most of the changes occurred in recent years, particularly in 1961 (6 agreements), 1962 (10), and 1963 (7). As a rule, the changes resulted in clauses that were more elaborate and more specific. Among the items introduced into existing clauses were the right to locate plants (seven) and the right to subcontract (five). Other stipulations introduced included the right to determine methods, means, and processes of production, to assign and to schedule work, and to determine the products to be manufactured and their prices.

Nine provisions added limitations, most often those making rights subject to other provisions of the agreement. In another nine agreements, residual rights language was written into the clause.

From agreement effective July 1, 1960

The right to manage the plant and to direct the working forces and operations of the division, including the right to hire, discipline, suspend, or discharge for just cause, to promote, demote, and transfer its employees subject to the provisions of this agreement, is vested in and retained by the division.

From agreement effective August 10, 1964

It is recognized and agreed that in addition to other functions and responsibilities which are not otherwise specifically mentioned in this paragraph, the division has and will retain the sole right and responsibility to direct the operations of the division, and in this connection to determine the number and location of its plants; the product to be manufactured; the types of work to be performed or to be subcontracted out; the schedules of production; shift schedules and hours of work; the methods, processes, and means of manufacturing; to select, hire, classify, evaluate, promote, and demote employees; and to make and apply rules and regulations for production, discipline, efficiency, and safety. It shall also have the right and responsibility to discharge or otherwise discipline any employee for just cause, to layoff because of lack of work or other cause, and to transfer employees except as specifically limited by expressed provision of this agreement. (92)

* * *

From agreement effective May 1, 1956

Article II

Management Responsibility

The right to hire, layoff, and discharge employees for just and lawful cause; and the management disposition, and number of working forces are among the sole prerogatives of the company; provided, however, that this section will not be used to discriminate against the union and membership thereof and also this section will not in any way abrogate or interfere with the employees' rights under the terms of this agreement, including the use of the grievance and arbitration procedure.

From agreement effective July 1, 1965

Management Responsibility

The right to hire, layoff, and discharge employees for just and lawful cause; and the management, disposition, and number of working forces, the right to contract out work, the right to make reasonable assignments of jobs; to determine the products to be manufactured, processed or handled by the employee; to establish production schedules, methods, processes and means and ends; to determine its general business practice and policy; to open new units, assembly lines, departments and operations and to terminate or close them; to make promotions to supervisory or executive positions; to increase or decrease the working force are among the sole prerogatives of the company; provided, however, that this section will not be used to discriminate against the union and membership thereof and also this section will not in any way abrogate or interfere with the employee's rights under the terms of this agreement, including the use of the grievance and arbitration procedure. (93)

* * *

From agreement effective December 1957

Article VI

Union-Management Relations

Section 1. Management

The management of the business, including the right to plan, direct, and control store operations and to determine store hours, and the direction of the working forces, including the right to hire, assign, promote, and transfer; the right to suspend or discharge for good and sufficient cause; and the right to relieve employees from their duties because of lack of work, dishonesty, insubordination, poor performance on the job, and for other legitimate reasons, are vested exclusively in the company.

From agreement effective December 1961

The management of the business, including the right to plan, determine, direct, and control store operations and hours; the right to study and introduce new methods, facilities, and products; the right to direct and control the work force, including the determination of its size and composition, the scheduling and assignment of work; and also including the right to hire, assign, demote, promote and transfer, to layoff or reduce the hours of work because of lack of work, to discipline, suspend or discharge for proper cause, and to establish and maintain reasonable rules and regulations covering the operation of the store, a violation of which shall be among the causes for discharge, is vested in the company; provided, however, that these rights shall be exercised with due regard for the rights of the employees and provided further that they will not be used for the purpose of discrimination against any employees. The listing of specific rights in this agreement is not intended to be, nor shall it be considered restrictive of or a waiver of any rights of management not listed and not specifically surrendered herein, whether or not such rights have been exercised by the employer in the past. (13)

Introduction

Formal commitments to cooperate in raising the quantity and quality of production, in improving sales, or in achieving common legislative goals have traditionally had little appeal to American labor and industry. Except for certain well-publicized efforts, particularly during World War II, most unions and employers, either by tacit understanding or the will of one party, have by and large limited their formal relationships to collective bargaining and to the processing of grievances. Informal relationships, particularly among supervisors and union stewards at the work level, have always been common.

The findings of the present study confirm the continued reluctance of management and unions to enter formal cooperative arrangements. Only about a fourth of all major agreements contained explicit references to union-management cooperation as such. In the overwhelming number of cases, no formal machinery was established to implement it. Rather, the cooperation clause was confined to a pledge on the part of the union to support particular policies, notably in the area of production and efficiency and less frequently in matters dealing with promotion of company products or in technical innovations. Such a pledge, whatever its standing in terms of enforceability, nevertheless indicates a positive commitment by the union. The pledge underscores for the workers and union stewards the value of cooperation.

Only about 5 percent of all major agreements called for joint committees to deal with issues that are normally a sole management prerogative. A large proportion of these were accounted for by "industry advancement funds" in the construction industry and by Armour-type study committees in meatpacking.

To some degree, the relative scarcity of formalized cooperative arrangements reflects long-standing union and management attitudes as to their respective functions. As a matter of policy, management may avoid such collaboration because it is considered as, or may lead to, an encroachment on managerial prerogatives. Many employers prefer to deal with the union at arm's length, limiting joint negotiations only to those issues on which they are legally required to bargain. Similarly, unions may not wish to become too closely identified with company policies. Rank-and-file workers often tend to view such cooperation with misgivings, fearing that it may result in lack of militancy by union officials in pressing contract demands and in grievance handling.

On the other hand, a desire to avoid formal commitments rather than a desire to avoid cooperation may explain the low prevalence and the limited nature of union-management cooperation provisions. There are certain advantages to informal ad hoc cooperation, including the ability to dissolve the arrangement after the purposes are achieved or if failure is inevitable without publicity or without jeopardizing the next attempt. An agreement provision, in contrast, is fixed for the term of the agreement and may be difficult to change thereafter.

A study of contract provisions cannot, of course, measure the extent and nature of joint efforts not specified in the agreement. Appendix A describes several arrangements of this type. Most other common undertakings, particularly those directed at short-term ad hoc goals, do not ordinarily come to public attention. The most typical form of cooperation is at the plant level in face-to-face meetings between company and union officials in the course of resolving issues that arise in the daily operation of the plant—all contributing to tacit understandings which in every bargaining relationship supplement formal policies.

The present study discusses collectively bargained cooperation pledges and committees dealing with issues in which management normally reserves the right to act unilaterally, a point underscored in numerous "management prerogative" clauses cited in the preceding section, namely, production and allied activities, including technological change, company welfare and sales promotion, and legislative policies. Not accounted for in the present study are committees established to resolve particular issues or administer programs arising out of the agreement, such as incentives, job evaluation, grievances, and safety, health, and insurance programs. Bargaining committees established to spread contract negotiations over a longer period of time, or to work out the basis for contract negotiations, are not covered either, although in the course of their meetings such committees may move into the area of management prerogatives. Under this definition, the broad-gaged automation fund, found in the Armour and Co. agreement and in other meatpacking company agreements, is included in the study, while the Human Relations Committees in the steel industry, because of their primary concern with bargaining issues—such as incentives, job classification, subcontracting—are excluded. Implicit agreements to cooperate are also excluded (e.g., the wording of the annual improvement factor provision in automobile agreements¹⁴).

Scope of Study

The coverage of this study is the same as that for management rights provisions (see p. 3).

In appendix A, four examples of union-management cooperation arrangements arising outside the agreement are described. The clauses cited in this study are identified in appendix D. In appendix C several provisions are reproduced in their entirety to illustrate how the parts fit together. Appendix C also reproduces the features of the Armour and Co. automation fund.

Related Studies

The study of management rights provisions in this bulletin provides a contemporary background against which union-management cooperation provisions can be viewed. Other studies in this series mentioned in connection with management rights (p. 3) also have a bearing upon union-management cooperation. In the broadest meaning of the term, an evaluation of the extent and nature of union-management cooperation will develop from the series of studies as a whole.

Prevalence

One out of every four agreements in the study (450 of 1,773 contracts) contained provisions for union-management cooperation on production problems, technological change, sales promotion, legislation, and similar managerial problems (table 2). These involved 1.9 million of 7.5 million workers covered by

¹⁴ See Major Collective Bargaining Agreements: Deferred Wage Increase and Escalator Clauses (BLS Bulletin 1425-4, 1966).

contracts in the study, also about 1 out of 4. Nearly half of the provisions were accounted for by five industry groups, each having more than 30 agreements with specified cooperation clauses: Transportation equipment (55), food (42), construction (42), transportation (33), and electric and gas utilities (33).

Most of the cooperation provisions (377) were pledges that the union would cooperate in achieving these goals or facilitating the adjustment set forth in the clause (e.g. plant efficiency, product quality, sales improvement, etc.). Occasionally, the union's pledge included an acknowledgement that the gains won by its members in collective bargaining were paid for by improved productivity and/or sales. Since cooperation embraced areas traditionally reserved to management, in which the employer could act on his own if he preferred to, only the union's pledge to cooperate was called for. Sometimes, however, the union's pledge was coupled with one from management, usually to cooperate on labor-management matters or to guarantee that workers would not be hurt by their participation in joint efforts.

Ninety-two agreements, about a fourth of the number pledging cooperation, established joint committees or funds. Half were accounted for by two industries. In food and kindred products there were 18 joint committees, a number of which were Armour-type funded study committees. These were negotiated following the landmark agreement reached by Armour and the Meat Cutters, and the Packing-house Food and Allied Workers in 1959, both AFL-CIO affiliates. Construction agreements accounted for 28 industry promotion or "advancement" funds. As a general rule, the extent of union participation in these promotion funds was limited. Outside the construction industry, however, the operations of the joint committee represented a firmer commitment to cooperate than the casual pledge. It provided a mechanism to discuss problems in particular areas and to implement agreed upon solutions.

Two-thirds of the agreements having cooperation provisions involved single employer units. The remaining one-third (152) covered multiemployer bargaining units, but these accounted for more than two-thirds of all the joint committees or funds found in the study (67 of 92).

Employer unit	Total studied	Total with provision	Form of cooperation			
			Pledges	Joint committees and/or funds	Pledges and joint committees and/or funds	No provision
All agreements -----	1,773	450	358	73	19	1,323
Single employer agreement ----	1,099	298	273	20	5	801
Multiemployer agreements -----	674	152	85	53	14	522

Areas of Union-Management Cooperation

Formal statements of union-management cooperation centered primarily upon in-plant production problems. Provisions calling for union participation in company welfare and sales promotion were less frequent. Agreement clauses which authorized joint action on legislative and tariff matters were uncommon. Nearly 15 percent of the cooperation provisions dealt with various aspects of technological change, as shown on the following page.

Area of cooperation	Total	Pledges	Form of cooperation	
			Joint committees and/or funds	Pledges and joint committees and/or funds
All union-management cooperation provisions ¹ ---	450	358	73	² 19
Production problems -----	345	301	37	7
Technological change -----	64	44	20	-
Company/industry welfare and sales promotion ---	180	136	42	2
Legislative and tariff matters -----	9	5	4	-

1 Nonadditive.

2 Total exceeds individual parts because pledges and joint committees in more than 1 area have been allocated to each area. Pledges and joint committees appearing here, account only for those operating in the same area but on different subjects; e. g., a pledge on absenteeism and a joint committee concerned with production suggestions.

In its own way, each of the provisions had a bearing upon the economic health of the enterprise, thereby reflecting a mutual understanding as to the source of job security for workers. Each also represented areas in which unions could participate effectively. For example, union aid in solving production problems and in the introduction of technological change could result in greater output at lower costs; union promotion of "union-made" goods could improve sales of retail products; and the union as an organized group and as part of a larger labor movement might be helpful in bringing joint views on legislative and tariff matters to the attention of the appropriate governmental agencies.

Production Problems. Of 450 union-management cooperation provisions, 345, or about three-fourth, focused on production problems. Most (301) of these were pledges of assistance in a variety of production matters. They were overwhelmingly operative at the plant or company level rather than on a multiemployer basis, as shown below.

Form of cooperation	Total	Level of cooperation		
		Company or plant	Industry or multiemployer	Both
All cooperation on production problems -----	345	317	22	6
Pledges only -----	301	298	1	2
Joint committees only -----	37	15	21	1
Pledges and joint committees -----	7	4	-	3

Joint committees (37) were divided between those operating at the plant level (15) and those functioning on a multiemployer basis (21).¹⁵ One operated at both levels. Most committees were multipurpose, dealing with production as well as other problems.

¹⁵ Committees primarily concerned with sharing savings on an incentive basis (e. g., the Kaiser long range sharing plan) or those established under the so-called Scanlon Plan, will be examined in other studies in this series. See the introduction for additional information.

Plant level production committees, which flourished during World War II with the encouragement of the War Production Board, have since become rare. One of the few formal arrangements found in major agreements is described in the following association agreement in which both labor and management pledged that they would urge the formation of a committee in each employer's shop:

The union and the council shall urge the formation of production committees in all shops of the employers for the purpose of eliminating waste, improving methods of production, maintaining quality standards of workmanship and for the further purpose of promoting cooperation between labor and management for the good of all and recommend that special consideration be given by way of prizes to workers in the shops for suggestions, proposals and ideas which will make for greater efficiency and advanced methods of production as, if and when such proposals and ideas are accepted by management. (94)

Provisions for cooperation in production matters often took the form of a brief statement in which the union pledged its support in achieving efficient or economical operations.

The company pledges itself to give its employees considerate and courteous treatment, and employees in turn pledge themselves to render the company loyal and efficient service. (95)

* * *

The miners agree to cooperate with the operators to the extent that coal will be produced more efficiently and economically. (96)

* * *

It is agreed that the employees will cooperate with management within the obligations of this agreement to facilitate the efficient operation of buildings. (97)

Frequently, the union pledged its adherence to the standard of a fair day's work for a fair day's pay. Although this type of clause was found in a number of industries, there was a noticeable cluster among agreements in the automobile industry.

The union reaffirms its adherence to the principle of a fair day's work for a fair day's pay, and agrees to use its best efforts towards this end, both as to work and as to conduct in its performance. (98)

* * *

The union agrees to investigate with the association, and on the merits, all cases of alleged failure of employees to carry on efficient operations and give "a day's work for a day's pay," and will give its full support to insure to each employer a fair and efficient standard of work from his employees. (99)

* * *

The union agrees that it will cooperate with the company in promoting faithful and efficient work performance by the company's employees both individually and collectively. The union subscribes to the concept that the company is entitled to a full day of work from each employee for a full day's pay. (100)

The intent not to restrict output or to tolerate featherbedding was explicitly stated in several agreements.

It is the intent of the parties to secure and sustain maximum productivity per employee. In return to the company for the rates herein provided and consistent with the principle of a fair day's work for a fair day's pay, the union emphasizes its agreement with the objectives of achieving the highest level of employee performance and efficiency, and agrees that the union, its agents and its members will not take, authorize, or condone any action which interferes with the attainment of such objective. (101)

* * *

The union agrees that every employee shall perform a full day's work and further agrees that:

- (a) The setting of arbitrary restrictions on production output by workers, or
- (b) The action of one or more union members in influencing or attempting to influence others to restrict their production, . . . are each contrary to the principle of a full day's work. (102)

* * *

The employer and the union, recognizing the necessity for eliminating restrictions and promoting efficiency, agree that no rules, customs or practices shall be permitted that limit production or increase the time required to do the work. (103)

* * *

The union agrees that it will do everything within its power to cause the employees covered by this agreement, individually and collectively, to perform and render loyal and efficient work and service, and shall not tolerate featherbedding nor take any action which would create any unnecessary work . . . (104)

A large group of provisions focused on strengthening efficiency through savings in time, manpower, and material. Several included absenteeism and tardiness among their goals.

The union further pledges for itself and its members that they will fully cooperate in the following: The reduction of shrinkages of all kinds; in the saving of materials, tools, machinery, equipment, and all company property by means of careful handling and use; in minimizing breakage and losses of any kind caused by careless handling . . . (105)

* * *

The union recognizes that continued large-scale employment at a fair wage can continue only as long as a high level of productivity is maintained. The parties agree that this result is dependent upon achieving a high quality of individual employee performance and efficiency and the union undertakes to encourage its members in the attainment of this objective. This can be done by reducing scrap and spoilage, good care of tools and equipment, a minimum amount of time wasted and careful and economical use of supplies, including water, steam, and electricity . . . (106)

* * *

It is agreed that the union will cooperate with the employer in an effort to reduce to a minimum all practices which result in a loss of efficiency and needless expense. Inasmuch as "waste" is comprehensive in scope, it is impossible to enumerate all of the practices which might be involved.

However, specifically the cooperation will include:

Elimination of Waste of Time. Elimination of stopping work before the recognized wash-up time, taking excessive time during the morning coffee break, lining up at the clock before the recognized quitting time.

Waste of Materials. Improper processing of material, reduction of scrap, careless handling of finished material.

Conservation of Tools and Equipment. Elimination of careless handling of small perishable tools resulting in excessive breakage, wear and breakage of tools caused by running at feeds and speeds in excess of that prescribed by the employer, excessive wear of machine tools and equipment by running at excessive feeds and speeds, improper setup when not following designated machining methods, careless use of employer provided handtools, negligence in the use of employer provided measuring instruments.

Reduction of Absenteeism. Reduction of excessive and unwarranted absenteeism and tardiness.

Conservation of Supplies. Elimination of waste of everyday supplies such as paper, stationery items, soap, paper towels, etc. (107)

* * *

The union and company agree to mutually make every reasonable effort . . . to eliminate material waste, . . . absenteeism and tardiness . . . (108)

* * *

The union therefore agrees that it will cooperate with the company and support its efforts to assure a full day's work on the part of its members; that it actively will combat absenteeism and any other practices which restrict production . . . (109)

As specified in one agreement, "surplus employees" could be used on jobs other than their own, or even dismissed:

The parties agree that they will cooperate together toward the elimination of inefficiency where proven to exist in any operation in the plant. This means the making of normal adjustments necessary to efficient operation; the elimination of surplus employees where a surplus is proven to exist; the performance of duties on related jobs when not reasonably busy on their own jobs. (110)

Another area of union-management cooperation concerned the protection of property. Clauses cited previously which pledged worker effort to prevent the waste or breakage of tools and equipment tend in this direction. In public utilities, however, the emphasis is broader. Substations, depots, and other facilities are usually dispersed over large geographical areas. They may be unmanned and serviced on regular schedules by traveling crews, or they may be manned by small crews in relatively isolated areas. In either case, protection of company property against vandalism becomes a problem for management that could be eased with union assistance:

The union agrees that its members who are employees of the company will individually and collectively . . . use their influence and best efforts to protect the property of the company, and will cooperate with the company to this end at all times. (111)

In plants producing a marketable retail product or using materials easily resold, and in warehousing and other distributive industries, thefts could become a mutual problem requiring cooperation:

The parties acknowledge that protection against unexplained loss and disappearance of company merchandise before, during, and after processing, is a serious problem to the company in the operation of its factories. The union will cooperate with the company to eliminate this problem. (112)

* * *

The party of the second part will not try to uphold incompetency, shirking of work, pilfering or broaching of cargo . . . (113)

In the aerospace industry, cooperation in the protection of property focused on reporting acts of sabotage and on apprehending those committing such acts:

The union agrees to report to the company any acts of sabotage or damage to or taking of company, government, customer, or any other person's or employee's property, and the union further agrees, if any such acts occur, to use its best efforts in assisting to determine and apprehend the guilty person. (114)

* * *

The union and its members agree to report to the division any acts of sabotage, subversive activities, theft, damage to or taking of any employee's, division and/or government property or work in process or materials, or any known threat of sabotage, etc., subversive activities, or damage to or taking of such property, and the union further agrees to use its best efforts in assisting the division and the government to determine and apprehend the guilty party or parties. (92)

In contrast to the illustrations cited previously, another group of agreements dealt with quality rather than cost. These clauses referred to the "quality of production," the "quality of the workmanship," and the improvement of workers' skills:

Both parties recognize that it is to their mutual interest and to the best interests of both the company and its employees . . .

. . . if the quality of the company's products is improved . . . The union will encourage its members to attain these ends. (68)

* * *

. . . it is recognized that for continuous operation of the plants and for as steady employment as possible, cooperation for the common good of the parties is essential. It is therefore mutually agreed that the parties shall work together to: Improve quality of the product . . . reduce departmental product defects . . . develop job pride. (115)

* * *

. . . It further agrees that it will support the company in its efforts to improve production; . . . improve the quality of workmanship; . . . (116)

The union may also pledge to encourage workers to "achieve the degree of skill required" or to assist in establishing in-plant training programs. It may participate in joint committees authorized to develop, supervise, or establish training or retraining programs.¹⁶

It is agreed that latitude and flexibility in the development of maintenance trades employees and their assignment of work is essential.

It is agreed that maintenance trades employees will accept assignment to maintenance and repair work according to past practice and will perform such tasks to the best of their ability.

The union agrees that it will cooperate in encouraging its members who are now in the maintenance trades department and new employees coming into the department to achieve the degree of skill required to perform the various maintenance tasks in the plant. (85)

* * *

There shall be a joint management labor job training committee composed of an equal number of designated representatives of the union and Metropolitan Container Council, Inc. This committee shall schedule meetings and develop a program for job training and related problems such as costs, seniority and methods of training. (117)

* * *

. . . Immediately after the execution of this agreement a joint training committee shall be established, consisting of six members, three to be appointed by the union and three to be appointed by the publishers' association, to supervise a training program for perforator operators. (118)

* * *

A committee composed of an equal number of representatives of the union and the association shall meet for the purpose of establishing a program for the retraining of new employees and employees in lesser skilled crafts to more skilled crafts, in order to replenish the manpower available to the industry. (119)

¹⁶ Training and retraining provisions in collective bargaining agreements are the subject of another study in

Where cooperation on production problems was to be the concern of a joint committee, most agreements stressed that its authority was limited to making recommendations. Implicitly or explicitly, the committee was not to engage in collective bargaining or in agreement administration.

The company and the union agree that a committee of authorized representatives of the company and the union may meet at dates and places mutually agreed upon for the purpose of promoting cooperation, harmony and efficiency, . . . (120)

* * *

A joint committee will be appointed in each company for the purpose of studying and suggesting ways of correcting wasteful and inefficient operations. Recommendations of the committee will be submitted to the IBOP and USPA for approval. (121)

* * *

A committee composed of nine members as designated by the union and nine management members as designated by the company shall be established for the purpose of accomplishing through cooperative effort their mutual objective to increase efficiency and productivity and to improve the conditions of employment. The committee shall meet on call by either party at a time which shall be mutually convenient to the parties. Its function shall be to outline the problems that concern those objectives and to the extent that mutual agreement may be reached, endeavor to find ways of accomplishing such objectives consistent, however, with the provisions of this agreement. The committee shall not engage in collective bargaining nor in any way modify, add to, or detract from the provisions of the basic agreement. (122)

An exception to the above limitation was noted in an agreement for the New York wholesale meat industry. In this situation, decisions arrived at by a joint committee on "job shifting" were to become part of the agreement.

(a) The union agrees to appoint three representatives to a labor-management committee which shall consist of said three union representatives and three employer representatives appointed by Meat Trade Institute, Inc. It shall be the function of said committee to examine any and all questions arising under this agreement which may be referred to said committee by the union or Meat Trade Institute, Inc., and to make such recommendations with respect thereto as will best serve to carry out the intent and purpose of this agreement stated in the preamble thereto.

(b) The said labor-management committee is hereby also expressly empowered to . . . adopt such rules and regulations . . . as may serve to assure stability of employment and employment tenure and to discourage unwarranted job shifting by employees, and it is hereby expressly agreed that any such rules and regulations as may hereafter be adopted by said committee shall be considered part of this agreement and shall have the same force and effect as if originally fully set forth in this agreement. (123)

Technological Change. In total, 64 agreements specifically provided for union-management cooperation in the introduction of new equipment, machinery, or processes. Over two-thirds were pledges to participate, most of which focused on technological change in the single company or plant. Joint committees, on the other hand, were equally divided between those operating in a single plant or company and those functioning on a multiemployer basis.

Form of cooperation	Total	Level of cooperation	
		Company or plant	Industry or multiemployer
All cooperation on technological change -----	64	50	14
Pledges only -----	44	40	4
Joint committees only -----	20	10	10

The 44 pledges were scattered widely among a variety of industries, but food processing and retail food stores in combination accounted for 13. Since 14 of the 20 joint committees, including Armour-type automation study funds, were

also found in food processing agreements, a total of 27 agreements of the 64 involving joint participation in technological change centered in the processing and distribution of food products. This concentration reflects both the availability of new machines or processes and the degree of competition existing in these industries.

The eight pledges in retail food store agreements employed the following identical language:

The union recognizes the everchanging methods in the trend of food merchandising and agrees to cooperate in the installation of such methods and in the education of its members in the necessity of such changes. . . (124)

The reference in these clauses to educating members to the necessity of change highlights the role that a union pledge to cooperate plays in dampening worker resistance to technological change. In the first illustration, below, this objective is explicitly stated. A simple declarative statement, as in the second illustration, that makes no specific reference to what form the union's cooperation is to take, is the more typical pledge:

The parties recognize and acknowledge that the increase in wages and other benefits herein granted to the employees depend, to a great extent, upon technological progress, better tools, methods, processes and equipment, and a cooperative attitude on the part of the employer and the union. The union agrees that it will encourage, rather than resist, such progress, and that it will not assert any demand for increased wages for a particular job by reason of changes in the job, unless such changes result in a substantial, material and significant increase in the skill or labor required for the job. (125)

* * *

The union agrees to cooperate in the establishment of new methods, processes, and equipment. (126)

A limit upon the scope of the pledge to cooperate may aid in reducing resistance if the pledge reassures workers about their own status. That is to say, workers would be more willing to participate in change if they knew that they would not be hurt as a result of their own cooperation and that any detrimental impact would be alleviated.¹⁷ For example, the clauses frequently stressed that cooperation was to be affected under existing contract standards.

. . . The union therefore agrees not to oppose the introduction or operation of new equipment or changes in processes or production methods subject to the terms and conditions of this agreement. (127)

The national agreement involving the Clothing Manufacturers Association of the United States and the Clothing Workers (AFL-CIO) used more specific terminology in that it assured workers that their grades, wages, and employment would not be impaired:

The union has long cooperated with employers in the introduction of new machinery, changes in manufacturing techniques, and technological improvements in clothing plants. This policy has been established by mutual agreement, generally on a market level, between the employer and the union. Underlying such agreement has been the recognition of these basic conditions: grades as provided in this agreement, wages of the affected workers were not to be reduced, and workers were not to be thrown out of employment. Such policy is reaffirmed and shall continue to be dependent, preferably by mutual agreement on a market level, except that should a particular change have substantial repercussions in the clothing industry generally, the assent of the general executive board of the Amalgamated Clothing Workers of America shall be required . . . (128)

Another multiemployer agreement declared that neither earnings nor workload would be detrimentally affected. Another provision specified that rates,

¹⁷ For a full discussion of limits on all union-management cooperation clauses, see pp. 44-45. Only those especially pertinent to technological change are illustrated here.

incentive standards, crew sizes, and workload would be protected through the grievance procedure:

. . . it being clearly understood that the installation of new and improved machinery, equipment and production methods shall not give rise to a loss in earnings to any employees affected, nor shall any additional expenditure of effort be required of them. (129)

* * *

The union recognizes that the installation of incentives, cutting machines, mechanical devices or the introduction of new methods of operation will require the elimination, combination or rearrangement of jobs, either within a department or between departments, to enable the companies to secure more efficient operations, increase production, reduce costs, and improve their competitive position in the industry.

The union assures the company that it will cooperate and assist in making such changes and will not invoke contractual bars against the changes being made. Any discussion of any change will be limited to the particular case.

Base rates, incentive standards, crew sizes, and the question of physical hardship on changed or revised jobs will be subject to the grievance procedure of the contract. (130)

Finally, the following provision required advance notice of technological change and also obligated the employer to find other jobs for those displaced as a result of the change:

Cooperate in the installation of methods and technological improvements and suggest other improvements where possible, it being understood that the company will make such installations after advising the union, and will cooperate in placing any employees whose jobs are eliminated through such methods or technological improvements. (131)

Fourteen of the 20 joint committees dealing with technological change were concentrated in food and kindred products; 8 of the 10 company level committees were in meatpacking. The latter were patterned upon the committee established under the Armour agreements with the Meat Cutters, and the Packinghouse, Food and Allied Workers. These provisions established funds to finance studies of the impact of change on the work force. They facilitated the discussion of complex problems away from the bargaining table. Based upon their findings, the committees could also make recommendations to the parties.¹⁸ Despite expressed union dissatisfaction with the study committee, the Armour fund was continued in the 1964 negotiations, although no additional money was allocated to it. Meatpacking study committees and funds represented the only tripartite committees found in the study.

The remaining joint committees were bilateral in makeup, and most were unfunded. As study committees, their authority was limited generally to making recommendations:

The parties mutually express their interest and concern about the impact on manpower and conditions of employment, resulting from technological improvements and automation. The parties desire to utilize to the best advantage of the company and the employees scientific improvements. The employer and the union, therefore, shall establish a committee known as the committee on automation, consisting of six persons equally representing the employer and the union. The function of the committee shall be as follows:

- (a) To study the effect of such changes on the utilization of manpower;
- (b) To study the data on technological changes as they occur and the effect on manpower requirements;
- (c) To make such recommendations as are agreed upon to extend the benefits of automation to employer and employee. (132)

* * *

¹⁸ The full agreement provision is reproduced in appendix C.

A study committee shall be formed which will study the problem of technological change and its effect on long term employees in the bookbinding industry. Each side shall select its three members within 10 days after the signing of this contract and notify the other party immediately and meet within 90 days of the effective date. (133)

* * *

A joint committee consisting of an equal number of employer and union representatives shall be formed to make a factual study of automation and mechanization in plants covered by this agreement. It shall submit a report to the employers and the unions . . .

Neither the formation of such committee, nor the study to be undertaken, nor the report that be made, shall be deemed to constitute an agreement by either party to substitute the formation of study by, or report of such committee for collective bargaining on the subject of automation or mechanization.

Any issues with regard to automation or mechanization that may be raised by either party (after the study report is submitted) shall be subject to free collective bargaining, without prior commitment . . . (134)

The third committee illustrated above, involving the California Processors and Growers Association and the Teamsters (Ind.), operated with the support of State and Federal officials. Aided by Federal funds, the State, in a demonstration project, analyzed aspects of technological change in California canneries and the committee.

Two provisions stressed the advisory nature of these committees by stipulating that differences arising between the parties could not be submitted to grievance and arbitration procedures for settlement. One of the two stipulated that "economic action" over disputed committee activities was prohibited:

There shall be established a committee to be known as "The California Brewing Industry Committee on Automation." The committee shall be composed of an equal number of representatives of the union and of the California Brewers Association.

The committee shall study the problem of automation in relation to the brewing industry in California in all of its aspects.

The committee shall report to the union and the employer 180 days prior to the termination date of this agreement.

. . . Disputes which may arise under the provisions of this section shall not be subject to the grievance and arbitration provisions of this agreement. (135)

NOTE: In the superseding agreement, the study committee was dropped. Instead, the parties established a funded jointly administered system of supplemental unemployment benefits available at time of layoff.

* * *

. . . The establishment and operation of the committee shall be on a good faith basis, and disputes and grievances which may arise therefrom or in connection therewith shall not be subject to the grievance procedure of the collective bargaining agreements between the parties; nor shall any economic action be taken or threatened by any of the parties, their respective members, or by any members of the committee respecting any action or lack of action by the committee. (136)

NOTE: The superseding agreement deleted the study committee. The agreement now provides for advance notice and discussion of layoff as a result of the installation of new machines or processes. The new clause continues the bar against employment of the grievance procedure and the strike during these deliberations.

On the other hand, in one maritime agreement, a committee was to study the impact of automation upon marine engineers. Compensation for job losses claimed by the union, were to be determined through the grievance procedure:

The company and the union agree to undertake a study of the subject of automation and its impact upon the engineers. In the event the union contends that automation has resulted in the loss of jobs to the engineers, the matter of compensatory measures may be processed as a grievance under section 2. (137)

Company/Industry Welfare and Sales Promotion. Of 450 union-management cooperation clauses, 180, or 2 out of 5, provided for participation in improving company or industry welfare or sales. About three-quarters of these 180 were pledges, and most centered on welfare and sales of the company.

Form of cooperation	Total	Level of cooperation		
		Company or plant	Industry or multiemployer	Both
All cooperation on company industry welfare and sales promotion -----	180	120	43	17
Pledges only -----	136	112	8	16
Joint committees only -----	42	8	34	-
Pledges and joint committees -----	2	-	1	1

In contrast to the general prevalence of all union-management cooperation provisions (table 2), clauses of this type in nonmanufacturing agreements outnumbered those in manufacturing, reflecting the number of pledges in the trucking industry, and in electric and gas utilities as well as the construction industry promotion funds.

In trucking contracts, the inclusion of pledges to advance both company and industry interests serves a practical end for both parties to the agreement in helping to increase the volume of business for individual trucking concerns in the face of increasing competition from railroads and airlines. In electric and gas utilities, operations are vested with a public interest and subject to control by regulatory commissions. Almost a third of the electric and gas utilities agreements studied included pledges that the union would cooperate in advancing the company's welfare, services, and community relations. Over half the joint committees (28) were accounted for by construction industry advancement funds, which are discussed separately.

Except for a cluster of pledges in food and kindred products agreements promising union assistance in product sales, the welfare and promotion provisions were widely dispersed on an industry basis.

Clauses fell into 1 of 2 categories: Those adopting general terminology, and those specifically dealing with promotion of company products. General pledges at either the company or industry level utilized broad language promising cooperation in furthering the company or industry's "interests" or "welfare." Among these was the typical trucking clause pledging aid to both company and industry, as in the last illustration below:

Employees of the company agree . . . that they will cooperate with the company in promoting and advancing the welfare and prosperity of the company at all times. (138)

* * *

Immediately upon the signing of this agreement a labor-management committee shall be established. . . . The purpose of the committee shall be to promote and perpetuate harmonious relations, to study and recommend ways and means of promoting the economic welfare of the employers and the members of the union. . . . (139)

* * *

The unions shall cooperate with the employer to promote the welfare of the industry and the efficiency of the factory operations of the employer . . . (140)

* * *

The union, as well as the members thereof, agree at all times as fully as it may be within their power, to further the interests of the trucking industry and of the employer. (141)

In furthering sales efforts, the parties agreed to place the union label on products or to display the "union shop card" on the owner's premises. Bread, garments, appliances such as stoves, and fashion accessories, among other items, are products carrying the union's label. Restaurants, hotels, retail stores, and meat and grocery markets are among the establishments displaying union cards. In a few provisions, the union label or card is specifically tied to sales promotion:

The union and the employer agree on the desirability of having an identifying union label in the products of the industry. The proceeds from the sale of the union label to be paid for by the employers, shall be used to promote the sale of American-made handbags and pocketbooks. Six months prior to the expiration of the contract a committee of the New York Industrial Council of the National Authority for the Ladies' Handbag Industry, a committee of out-of-town employers, and the union, shall meet to decide the effective date of the use of the label. (149)

* * *

The unions agree to furnish to each employer a union house label upon the signing of its standard individual house card agreement; it is understood, however, that such union house label shall remain the property of the unions and shall be surrendered by the employer upon demand. The unions further agree to use their influence with organized labor and its friends to patronize exclusively such places as display the union label. (150)

The provisions from the Hatters, and the United Textile Workers agreements are illustrative of funded arrangements to finance sales promotion. In the first two provisions below, employer contributions are a percent of gross payroll, and in the third, payments are based on hours worked. Failure to pay is explicitly stated in one as a breach of contract. One of the clauses highlights the use of the industry's health and welfare fund as a collection agency, while another touches on the authority of the fund's trustees.

Each employer agrees to contribute to a fund heretofore established by the National Cap and Cloth Hat Institute, Inc., a sum equal to 1 percent of the gross payrolls of all its employees covered by this agreement. The contributions to the said fund shall be used for the purpose of promoting the consumption of caps and cloth hats and for the general welfare of the industry. Failure of an employer to make the contributions provided herein shall constitute a breach of this agreement which may be remedied in the same manner as any other dispute, claim, or controversy arising under the agreement. (151)

* * *

Twenty-Second: Trade Promotion.

(a) The association and the union recognize that there is urgent need for concerted action on the part of management and labor for the purpose of promoting the sale and use of millinery, creating greater consumer demand therefor and for stabilizing and improving conditions in the industry. Cognizant of this pressing need, the employers shall pay weekly to the Millinery Promotion Fund, Inc., a membership corporation, whose board of directors shall be comprised of employer and union directors, a sum of money equivalent to 1 percent of total weekly payroll including overtime (before deduction of taxes) of the employer's workers covered by this agreement. Such moneys so contributed and paid to the Millinery Promotion Fund, Inc., shall be used by it for the aforesaid purposes, thus increasing the sales volume of manufacturers, with resultant increased employment and greater earnings to the workers. In order to facilitate the collection of the aforesaid 1 percent by the Millinery Promotion Fund, Inc. and to avoid duplication of services and cost in the collection thereof, the trustees of the millinery health and welfare fund be and they are hereby authorized and empowered to and shall collect and receive the said 1 percent from the employers, and upon receipt thereof promptly remit the same, less their reasonable cost of collection to the Millinery Promotional Fund, Inc. (152)

* * *

Promotional Fund.

The employer hereby agrees to contribute 2-1/2 cents for every hour worked by each employee, not exceeding 40 hours in each week, to the Schiffli Lace and Embroidery Institute, Inc. for the purpose of promoting the Schiffli Embroidery Industry.

The trustees of said institute shall consist of four representatives of management and four union representatives. The four union representatives shall be designated in writing by Local 211, United Textile Workers of America. The four employer representatives shall be elected by means of an industrywide election to be held not later than June 15, 1960. Those eligible to vote or to be elected shall be employers in contractual relationship with Local 211. It is understood that the present trustees of said institute shall continue in office until their successors have been determined. The trustees subject to the purposes and limitations set forth herein shall have absolute discretion in the expenditure of the fund. The trustees shall receive no compensation whatsoever for their services. (19)

In makeup, these provisions are similar to construction industry advancement funds.

Promotion Committees and Funds in the Construction Industry. In addition to the examples cited above, 28 agreements in the construction industry dealt with sales and craft promotion by means of funds and committees, variously called industry promotion funds, or industry programs, but most often industry advancement funds or programs. Among the few confined exclusively to trade and product promotion was the following:

In order to advertise to the public the benefit and value of the use of brick and other masonry materials, to promote understanding of the process of manufacturing, utilizing, and maintaining brick and masonry materials, and to raise the standing and standards of bricklayers and masons in the community, an industry promotion fund shall be established. (153)

More often, committees or funds had multipurpose functions which included public relations and market development among a sometimes lengthy list of committee goals or authority:

Article XIII Industry Fund

Section 1. All employers of laborers under this agreement agree to contribute 2-1/2 cents per hour for each hour for which the employee is to be paid, to the Keystone Building Contractors Association in care of Construction General Laborers' Local Union in whose jurisdiction work is being done, for the purpose of establishing a construction industry program in the interest of promoting the common good through the carrying on of activities which may include, but not be restricted to the promotion of safety, market development, the protection of legitimate markets, standardization of contracts, public relations, labor relations, education, research and the provisions of means and methods whereby the general contractors may avail themselves of combined efforts in securing for themselves and their workmen just and honorable dealings from the public whom they serve. (154)

* * *

The association agrees to establish an industry advancement program for the purpose of meeting all costs to the association of conducting labor relations, and all matters and problems incidental thereto, on an industrywide basis in the greater Rochester area for the benefit of all contractors performing work in said area. The activities to be financed by the funds of the industry advancement program may include, but shall not be limited to, the following: Safety and accident prevention; apprenticeship training and other educational programs; public relations, industry relations; management expenses in connection with collective bargaining on an industrywide basis and in the maintenance of grievance procedures; management costs of participating in joint apprenticeship, health and welfare, and pension programs; providing security for, or paying the premiums for surety bonds to secure, the payments required under this article to the extent required by the provisions of this article; and such other comparable activities as may be engaged in from time to time. The board of directors of the association, in accordance with its by-laws, shall administer the fund of the industry advancement program. (155)

Among the advancement activities included in one agreement was the goal of obtaining maintenance and repair work in industrial plants, an area of growing interest to construction industry employers and unions but one which has generated considerable interunion controversy.

The association may use the moneys allocated and paid into the fund of the industry advancement program . . . for carrying out the following industrywide activities . . . for the benefit of the building and construction industry . . .

. . . Public relations—for example to conduct a public relations program for the benefit of the building and construction industry . . ., particularly to make an effort to obtain the work in industrial plants . . .

. . . Market development—for example, to educate industrial owners and government awarding authorities and agencies to contract out construction maintenance and repair work . . . (156)

The legal status of industry promotion funds had not been fully resolved at the time of this study. On the one hand, the National Labor Relations Board considers joint promotion funds a permissive, but not mandatory subject of collective bargaining.¹⁹ On the other hand, the courts have considered that employer contributions to such funds are at least questionable, if not prohibited under section 302 of the Labor Management Relations Act of 1947 as amended (the section dealing with restrictions on payments to union officials).²⁰ Because of the legal prohibition, the agreement cited below specifically bars union leaders from receiving any money from the fund.

. . . The fund shall be used to promote and benefit the plumbing and pipefitting industry. No portion of such fund shall be paid to any representative of employees as enjoined by the Labor-Management Relations Act of 1947 as amended . . . (157)

Most of the agreement provisions stayed within the requirements of section 302 by stipulating that the funds would be under unilateral employer administration, or by using language so that such an implication could be clearly drawn.²¹ Nevertheless, unions were generally informed of the trustees' deliberations.

In those agreements providing that the fund be jointly administered (5 of 28), promotional activities were only a part of its full scope of activities. For instance, an electrical workers' agreement covering New York City suburbs established an industry stabilization board which was charged with administering the industry labor contract and a number of permitted funds (for instance, the hospitalization and welfare benefits fund and the apprenticeship and training fund), with settling disputes, and promoting harmony in labor relations. In addition, the board was to make studies and institute changes which would make it possible for the industry "to be of greater assistance to those purchasing services, potential purchasers, and the general public."

Unilaterally administered committees usually financed their activities by requiring regular payments, using a formula based on the hours worked by each employee:

It is agreed by the parties hereto that if the employers desire to establish an industry advancement fund that a sum of not more than 2 cents per compensable hour shall be contributed by all individual employers to this fund . . . (158)

The amount ranged from half a cent to 6 cents and more, but there was a noticeable cluster at 2 cents per hour.

Bilaterally administered committees, on the other hand, often used a different method of financing. The National Electrical Contractors Association for Nassau and Suffolk Counties, New York (cited earlier), financed its "industry stabilization board" as well as the administrative costs of a number of funds by employer payments of 1 percent of the gross straight-time payroll. Other bilateral committees shared costs equally or set a flat fee for employers to pay:

All expenses incurred and approved by the joint conference board necessary for the performance of its duties shall be borne by and divided equally between the unions and the contractors. (159)

¹⁹ Mill Floor Cover, Inc., 136 NLRB 769.

²⁰ See, for instance, Local No. 2 Operative Plasterers vs. Paramount Plastering, Inc. 310 Fed. 2nd, 179. The U. S. Supreme Court later denied certiorari (372N.S. 944).

As originally drafted in 1947, the silence of the law, in effect, barred pooled funds for vacations, holidays, severance pay and similar benefits, as well as money earmarked to defray the cost of apprenticeship and other training programs. In 1959, all of these were removed from the blanket ban by specific inclusions. Bills have been introduced into the current Congress and into earlier sessions to win similar approval for promotion funds. None passed until H.R. 1153 passed the House on Aug. 10, 1965. Senate action was pending at the time of this writing.

²¹ One agreement provided for public as well as employer trustees.

The cost of administration necessary to carry out the functions of the joint industry board shall be borne by all employers . . . and shall for all purposes constitute an expense of doing business under this agreement. Each employer shall pay the sum of \$250 annually for the administration of the joint industry board.

Should the joint industry board find that the annual contribution . . . is inadequate . . . , it may assess all employers . . . an equal amount necessary to conduct its business.

All employers having a payroll of more than \$250,000 in the previous calendar year shall pay an additional \$375 per year. (160)

Although committees were largely unilaterally administered and employer financed, the act of placing them under the collective bargaining agreement signified that industry promotion was a matter of joint concern and cooperation. A violation of this clause constituted a violation of the agreement. Thus, a number of agreements with multipurpose funds specifically permitted the union to strike delinquent employers. Several of these also stipulated other penalties.

In the event an employer fails to make the monetary contributions . . . (to the health insurance, retirement, and industry advancement funds) the union is free to take any economic action against such employer it deems necessary and such action shall not be considered a violation of this agreement. (161)

* * *

If any individual employer defaults . . . , in addition to the amount due (for the health and welfare, pension, and industry and education funds) and the liquidated damages . . . , there shall be added to the obligations of the defaulter all reasonable expenses incurred . . . in collecting of the same including, but not limited to, reasonable attorney's and accountant's fees, cost of attachment bond and court costs.

In addition . . . , it shall not be a violation of any collective bargaining agreement for the union to withdraw all journeymen and apprentice sheet metal workers from the job or jobs of a delinquent employer; further the employees so withdrawn shall continue to receive full pay up to a maximum of 2 weeks from said delinquent employer. (162)

Union interests were further safeguarded by a pledge that the money would not be used for antiunion activities.

. . . No part of these payments shall be used for political or antiunion activities. (163)

* * *

. . . Moneys collected (by the fund) shall not be used for lobbying or sponsoring any legislation detrimental to the union nor shall any such moneys be prorated to any individual contractor during a strike or lockout. In no instance shall any of the foregoing funds be used for advertising or propaganda against the union . . . (164)

Legislation, Tariff, and Related Items. Only 9 of the 450 union-management cooperation clauses in the study provided for mutual aid in legislative, tariff, or related matters. Six out of the nine were in construction industry agreements. Five of these were pledges, and four utilized multipurpose joint committees in carrying out legislative and tariff activities. Perhaps to a greater extent than in the area of cooperation previously mentioned, this low prevalence of formal provisions does not truly reflect the extent of joint participation on legislative and tariff matters. Unions and employers often cooperate on an ad hoc basis in this area.

Only 2 of the 9 agreements specifically referred to joint cooperation on tariff matters:

The (employers) and the (union) shall cooperate to the fullest extent to preserve the American market from danger through inroads of foreign competition. (121)

* * *

The parties recognize that there exists a serious unemployment problem among the workers in the scarf industry, caused by the drastically accelerated imports of scarfs from foreign countries. The parties also recognize that their obligation is to endeavor to correct this unemployment situation. For this purpose, the parties agree to designate a special committee on which there shall be represented the various segments of the trade, for the purpose of finding every possible legal means to help solve this unemployment problem among the workers employed on scarfs. (165)

Provisions in agreements in the construction industry dealt with legislative matters as they pertained to regulation of particular trades:

All parties to this agreement shall cooperate on all legislative matters designed to advance the interests of the painting industry. (166)

* * *

It is agreed that the employer and the union will cooperate to bring about a higher quality of workmanship and protection of the public by enactment of local licensing laws and/or bonding requirements. (167)

* * *

(d) Foster beneficiary legislation. To meet with representatives of public and quasi-public bodies or groups and with other groups or associations in the construction industry or allied fields; to foster, promote, and urge beneficiary legislation with the State of California relating to the plumbing and pipefitting industry; its standards, specifications, improve technological skills, or any other matter pertaining thereto; to acquaint the public at large with the work of the plumbing and pipefitting industry and to foster good public relations. (168)

Limits on Cooperation. In discussing union pledges to cooperate in the introduction of technological change, it was noted that the union sought assurance that workers would not be hurt should they participate with management in bringing innovations into the plant. Such safeguards as these are implicit in union-management cooperation provisions whether the object is the introduction of technological changes or the improvement of productivity or efficiency or a guarantee of a fair day's work. On the other hand, explicit statements, which avoid the appearance of a violation of the union's pledge to cooperate, may serve as a warning to management not to push its drive for efficiency beyond reasonable goals, and as a basis for a union challenge of a particular action it deems harmful. Thus, such statements may, in day-to-day operations, although not necessarily in agreement language, take the form of limits on cooperation.

In 51 of the 450 cooperation provisions, covering 283,500 workers, explicit safeguards were set forth. In six, more than one kind of safeguard was established. Forty-four of the 51 were in manufacturing industries, where most of the clauses relating to production problems and technological change were found. Forty-seven involved pledges to cooperate. Joint committees, by their structure, have built-in institutional safeguards since representatives of both parties are likely to review policies before they are put into effect.

Basically, explicit safeguards stressed that cooperation would not be forthcoming in any management action that undermined contract standards, particularly those relating to health and safety or imposed an unreasonable burden on workers.

Twenty-one clauses specifically referred to safety and health, generally as follows:

. . . the union agrees with the objective of achieving the highest level of employee performance and efficiency consistent with safety, good health and sustained effort . . . (169)

* * *

Consistent with the principle of a fair day's work for a fair day's pay and consistent with the employees' welfare in regard to safety, health and sustained effort, the union agrees to cooperate with management in its effort to increase employee effectiveness and productivity . . . (170)

Another 29 contracts, usually those involving cooperation on technological change, guaranteed that worker's hours, employment, and earnings would not be threatened.²² This point was underscored by provisions which stipulated that cooperation would terminate should it conflict with specific agreements terms:

. . . Nothing in this article shall void or supersede any other section or article of this contract. (171)

The parties also agreed that worker cooperation would be limited to "reasonable" participation, to assistance that did not cause "unreasonable" hardship, or did not entail acts "detrimental" to worker interests:

. . . The union agrees that it will cooperate in any reasonable manner with the employer to support its efforts to assure a fair day's work on the part of its members, that it will combat absenteeism or other practices which might restrict production, eliminate waste in production, conserve materials and supplies, maintain quality of workmanship, prevent accidents and strengthen good will between the union and the company. (90)

* * *

The union agrees to give its active support to promote the best interests of the employer and to the furtherance of sales activities. It is further stipulated that the employer may, from time to time, hold meetings of its employees. Such meetings shall be held at such a time as not to impose any unreasonable hardship upon the employees . . . (172)

* * *

Members of the Brotherhood agree . . . that they will cooperate with the company in promoting and advancing its welfare and prosperity providing, however, that such cooperation shall not be detrimental to the interests of the Brotherhood or its members in any manner. (173)

* * *

The union recognizes the necessity for improved production, elimination of waste of materials and supplies, and improved quality of workmanship and will cooperate in effecting changes in method, product, and equipment to the greatest extent consistent with fair and reasonable labor practices and with the terms of this agreement. (174)

One additional provision restricted worker participation where it might violate law or might favor one employer over another. These restrictions were included in a multiemployer agreement:

The union agrees to further the interest of the employer whenever it has the power to do so, but it shall not be required to do any act or thing prohibited by law, nor shall it be required to prefer any employer to this agreement over any other employer to this agreement. (175)

Enforcement. Only 32 of the 450 agreements providing cooperation specifically stipulated that such clauses were enforceable. Enforcement by the union has been discussed in the section dealing with construction industry advancement funds. This section describes disciplinary steps directed at the employee using the mechanism of the union-management agreement. Discipline efforts on the part of unions, through their own disciplinary procedures, or through their control of grievance processing,²³ are of course not accounted for.

²² See p. 34 for illustrations.

²³ See Bulletin 1425-1, pp. 17-32, op. cit., footnote 3.

In 11 of the 32 provisions, the grievance system was intertwined in a variety of ways in the enforcement procedure. For example, in the following provision, the imposition of penalties upon a worker was contingent upon determination through the grievance procedure that the worker had, in fact, violated the agreement to cooperate:

The union reaffirms its adherence to the principle of a fair day's work for a fair day's pay, and agrees that the union will use its best efforts, both as to work and as to conduct in its performance. To that end, it agrees with the company in the establishment of the following rules and penalties for breach of such rules when established and determined through grievance procedure . . . (176)

In one agreement, failure by the union to support stated cooperative efforts could result in a company-initiated grievance:

In order to effectuate the purposes set forth in the preamble of this agreement, the union agrees that it will cooperate . . . and will aid in any manner whatsoever with the company's efforts to issue a full day's work on the part of its members . . . ; and in the event that the union interferes, or fails, or refuses to cooperate when called upon, the union may be considered in default under this agreement and subject to the grievance procedure set forth herein. (177)

The grievance procedure was to be utilized to define vague terminology on cooperation where the parties differed on meaning. It could, for example, be invoked to determine what was meant by a "standard" amount of work, "workload assignments," or a "reasonable" instruction of a foreman.

Employees shall be required to perform a standard amount of work in an efficient manner and the union agrees to cooperate to that end. In case of dispute regarding the standard amount of work required of employees, such subject shall be studied by a representative of the union and the company, and if an agreement cannot be reached, the same shall be referred to arbitration as herein-after provided. (178)

* * *

The parties agree that they will cooperate together toward the elimination of inefficiency where proven to exist in any operation in the plant. This means the making of normal adjustments necessary to efficient operation; the elimination of surplus employees where a surplus is proven to exist; the performance of duties on related jobs when not reasonably busy on their own jobs; the doing of a fair day's work by all employees; and the carrying out promptly of all reasonable instructions issued by their supervisors regarding work assignments within the department and on related jobs. Any complaints regarding the meaning of "reasonable" shall be made through the grievance procedure after the instruction has been carried out. Nothing in this article shall supersede any other article of this agreement. No employee will be required to perform a job which is known to be unsafe. It must be recognized, however, that all jobs have elements of danger. (110)

* * *

Consistent with the principle of a fair day's work for a fair day's pay and consistent with the employees' welfare in regard to safety, health, and sustained effort, the union agrees to cooperate with management in its effort to increase employee effectiveness and productivity, provided that disputes concerning proper workload assignments and proper compensation for increased productivity shall be subject to the grievance procedure of this contract, including arbitration . . . (170)

The following provision, involving the printing pressmen, enlisted the union in disciplining noncooperating workers. It should be noted that in this and other printing trades unions, the foreman is usually a member of the union.

The union guarantees that it will require its members to exercise maximum care in the operation and maintenance of all the machinery and material handled by them and the union also guarantees at all times a full and satisfactory production from such machinery and material. . . . The union agrees to enforce by effective disciplinary measures the obligations of every member of the union to comply with orders issued by the foremen relating to the operation and care of the presses, or to work overtime when in his judgment it is necessary. (179)

Among the steps available to management in disciplining workers violating cooperative efforts were transfers, demotions, and, ultimately, discharge. Again, the grievance procedure safeguards the worker against the imposition of an unfair penalty:

The union pledges support to the management in eliminating or correcting all practices that interfere with capacity production.

Any employee who fails to attain or maintain a fair day's work, which shall include quality as well as quantity, may be transferred, demoted, or otherwise penalized, depending upon the particular circumstances of each case. Objections to the penalty applied may be subject to the grievance procedure. (180)

* * *

The parties agree that they will cooperate to attain more efficient production and that avoidable failure on the part of any employee to maintain a reasonable degree of production efficiency may, after due warning to said employee, be cause for discharge . . . (181)

The union's cooperation could be aimed at avoiding the discharge of an employee for inefficiency:

The employer and union agree to cooperate in attempting to correct production inefficiencies of individual employees so as to avoid, wherever possible, the necessity for discharge because of such production inefficiencies. (45)

Appendix A. Union-Management Cooperation Not Covered by the Collective Bargaining Agreements

As noted previously, the prevalence of union-management cooperation arrangements is not revealed fully by a study of collective bargaining agreements since such cooperation often takes place outside of the agreement. Four such cooperative arrangements were studied by the Bureau to supplement the agreement analysis. The following section describes how these efforts come into being, what they were designed to achieve, and how they operated. The studies are based upon interviews and writings by, and about, each cooperative organization.

Each of the four arrangements revealed certain common elements. Perhaps most basic in all was the realization that certain problems were best attacked jointly and that the results of this cooperation would be beneficial to both parties. Also basic, both parties showed a mutual respect in their relationship with each other, sometimes helped by a history of past cooperation (which served to establish a foundation for new cooperative endeavors). Common to all four is a strong union capable of serving as an active participant in the arrangement. Cooperation was aided by persons dedicated to the principle of joint participation, who had taken part in earlier joint arrangements, and who were willing to extend the effort and employ their earlier experience to make the experiment work. In the four, the parties chose, once their original goals had been achieved, either to end the arrangement without prejudice to renewal of cooperation in other areas at some later date, or to employ the existing structure for achieving other common goals.

The Construction Industry Joint Conference

On April 7, 1959, building trades unions and contractors' associations established the Construction Industry Joint Conference, described by its impartial chairman as follows:²⁴

. . . as a tool where we in this industry, all the unions together, all the national contractors together, will meet regularly and systematically to make constructive suggestions to carry on constructive programs for the purpose of promoting the construction industry in the public interest.

Joint participation was not new to the construction industry. Both employers and unions previously had worked together on apprenticeship training programs, and had been parties to the National Joint Board for the Settlement of Jurisdictional Disputes. The Construction Industry Joint Conference (CIJC), thus, grew out of a tradition of solving problems of mutual interest.²⁵

Included in the Conference were the presidents of construction trade unions or their representatives and representatives of the national contractors' associations. A joint administrative committee, consisting of an equal number of representatives from unions and employers (eight each), administers policies, gathers facts, and makes reports. Both general contractors' and specialty contractors' associations are equally represented. Its Impartial Chairman since its origin is Professor John Dunlop of Harvard, who served in a similar capacity for the National Joint Board for the Settlement of Jurisdictional Disputes.

The CIJC anticipates that localities will ultimately establish their own conferences.

All costs of the CIJC are shared equally by union and employer members.

Among the Conference's objectives are the promotion of the industry, improvement of the industry's skill levels, and encouragement of the voluntary settlement of disputes (not covered by other procedures) before work stoppages occur. The CIJC has also served

²⁴ Ironworker, November 1963, p. 12.

²⁵ See, the Ironworker, op. cit., pp. 52-53; and the Official Record of the International Union of Operating Engineers, April 1960 to April 1964, p. 315.

as the industry's spokesman—but only on issues where unions and associations concur—before a variety of Federal administrative agencies including, for instance, the Departments of Defense and Labor and the Internal Revenue Service.

Promoting the welfare of the industry has involved basically an effort "to preserve and to promote the contract system" as well as to improve "performance and productivity by contractor and workers."²⁶ In particular, it was planned that the CIJC would "provide for the need to present more effectively to private owners and government agencies the advantages of the contract system," i. e., to inform prospective buyers of their services, that construction and related work could be done most economically by construction contractors. Towards this end the CIJC has drawn up two special brochures and has cooperatively developed a modified collective bargaining agreement—the provisions of which are less stringent and costly to the contractor—applicable to kinds of work the contractors are seeking to win. This is a continuing CIJC program. Where the Conference has learned that much industrial construction is planned within a given area, it has sent in teams to explain the advantages of contract construction.

The Conference has also requested special Labor Department studies of manpower requirements and training needs for a 10-year period. The results were then disseminated among the CIJC's membership. Explained Impartial Chairman Dunlop:²⁷

. . . I happen to believe that in the years 1960-70 this industry will need considerably more skilled workers than it now has and also that the skills of the existing journeymen will need to be upgraded, retrained, and kept up to date. In the modern world you must keep up with new changes in your industry or you're in trouble. This applies to unions, it applies to the contractors, and it applies to individual journeymen.

The Conference has provided a continuing forum for the discussion of industry and labor-management problems. While it has addressed itself to issues causing work stoppages in particular areas, such as the missile sites construction program, it has not created any new settlement machinery which might conflict with existing procedures of the National Joint Board. Again, Professor Dunlop explained:²⁸

. . . This is an area where some branches of the industry already have well-established methods, while other branches do not. We seek by voluntary methods to reduce the extent of work stoppages, to encourage local settlements and perhaps to develop where we have discussed it in detail procedures where disputes cannot be settled locally may be handled on a national basis between people familiar with the collective bargaining practices in the industry.

The CIJC has also voiced industry views on proposed Federal Government procedures concerning equal employment opportunities.

The Conference today is a going concern. As one member explained, there are advantages to joint participation, especially when dealing with Federal agencies:²⁹

There are many occasions when the combined joint approach, or the coordinated separate approach of labor and management to governmental agencies is vastly more effective than the isolated and uncoordinated approach of either by itself . . .

National Board of the Cloak and Suit Industry

In 1935, the National Cloak and Suit Industry Recovery Board was established by employers and the Ladies' Garment Workers' Union. It was "virtually a lineal descendant" of an earlier authority that had administered the industry's code of fair competition under the National Recovery Administration, "operating with much the same personnel." Both the earlier code authority and the Recovery Board were designed to preserve fair trade and employment standards and to avoid a return to what one observer termed an earlier period of "economic lawlessness."

The Recovery Board was created as a nonprofit corporation. Its existence was assured by two clauses in the collective bargaining agreement, one requiring employers to join the Board and to abide by its constitution, by-laws, rules and regulations, and the

²⁶ "Construction Industry Joint Conference Plan," Ironworker op. cit., p. 54.

²⁷ Ironworker, op. cit., p. 12.

²⁸ Ibid.

²⁹ Official Record of the IUOE, op. cit., p. 322.

regulations, and the second agreeing that all garments produced under the agreement would bear the Board's label. The Board claims more than 90 percent of all manufacturers of women's and children's cloak and suits, as members.

Its broad spectrum of activities are financed by the sale of labels to employers. Since the ILGWU has determined to promote its own label as well, an arrangement has been worked out for joint labels, i. e., each organization's label is sewn to the other and then sewn to the garment, in accordance with the previously cited collective bargaining agreement. This constitutes the full extent to which the Board is governed by the collective bargaining contract. All rules, regulations, and activities are determined by the Board and are not included in the labor contract.

All decisions are made by an executive board which includes both employer and union representatives. Union board members are a minority, and thus can affect the outcome of a vote only if there is a split among employer representatives. Employer members are about evenly divided between those from New York City and those whose plants are outside New York.

Executive secretary Wilbur Daniels supervises activities in offices in Boston, New York, Philadelphia, Baltimore, Cleveland, Chicago, St. Louis, Kansas City, Los Angeles, San Francisco, and Portland, Ore. Most are one-man offices.

When it was originally established, the Board was concerned primarily with stabilizing the industry. The union itself had been trying for years prior to the National Industrial Recovery Act to introduce some order into the industry, since the jobber-contractor system, with its inherent insecurities for the contractor, had affected detrimentally the status of workers' wages and working conditions. Thus, the Board originally focused on continuing the code of fair trade practices introduced under the NIRA and on working out the cloak and suit industry's relations with retailers. With these in mind, the Board operated through a string of compliance committees. Its Fair Trades Practices Committee, for example, attempted to educate Board members to observe ethical business standards and, failing that, would bring grievances before a grievance committee.

Its Shopping Bureau would examine garments on the premises of retailers for compliance with label requirements and to determine whether or not the garment's quality corresponded with advertised claims and with the grade settled upon for piece rates. Occasionally, garments would be purchased off retail racks so that they could be submitted to a detailed inspection to determine actual worth. In an attempt to rectify conditions causing returns from retailers, much attention was paid to this problem, a crucial one in the industry.

As one of its primary responsibilities, the Board compiled information and data on the cloak and suit industry. For this function, the Board used accountants and investigators whose services it shared with the impartial chairman for the industry. The Board also maintained a legal and legislative committee which, according to one observer, "follows the familiar trade association pattern of supporting legislation favorable to the trade and discouraging proposed measures deemed unfavorable."³⁰

Industry research and legislative matters continue to occupy the Board today, but other objectives are now demanding increased attention. Greater emphasis has been placed on production and training problems, and on industry promotion and consumer education. In 1963, the Board changed its name to the National Board of the Cloak and Suit Industry, since it no longer functioned as a "recovery" board regulating the industry. Continuity remains in the decision of both labor and management to carry on with their cooperative policy in matters where both stand to benefit.

The Economics of Distribution Foundation, Inc.

In 1955, employers in the baking industry and the International Brotherhood of Teamsters formed the Economics of Distribution Foundation, Inc. The move was taken with some urgency since conditions within the industry were changing rapidly. In particular, the growth of supermarkets and the subsequent construction by chain supermarkets of their own bakeries

³⁰ Robinson, Dwight, Collective Bargaining and Market Control in the New York Coat and Suit Industry, New York, 1949, Columbia University Press, pp. 164-165.

put the wholesale baking industry at a competitive disadvantage. The costs of producing baked goods were about the same for both, but the costs of distributing the goods were sufficiently lower for chain supermarkets so that their private label items could sell substantially below competitive brand name items. Independent stores, independent supermarkets, and wholesale bakers felt the pinch of lost volume as the chains' share of the baked goods market grew.

The Foundation's first objective was to study the distribution system in the baking industry and suggest ways of reducing inefficiency and costs. The Foundation originally planned to expand its activities into other food producing industries which were similarly confronted with chain supermarket operations, and eventually, broaden its scope to include transportation in general. However, these plans have not been realized.

The Foundation is financed on a membership basis. Each company and the International Brotherhood of Teamsters pay equal amounts or "dues" annually to support the organization's activities. Thus, in total, there is a larger annual contribution from employers than from the Teamsters.

Officers of the Foundation are drawn from the union and the industry, in addition the public has one representative. David Kaplan, former chief economist of the Teamsters, is president. There are two vice-presidents, one from the union and one from the employers. Theodore W. Kheel, a prominent labor arbitrator and mediator, acts as secretary and general counsel. These officers and other members, also drawn from the industry and the union, constitute the board of directors which meets annually.

The Foundation's activities have involved research grants to universities as well as staff studies. For example, it conducted an extensive seminar on distribution economics. Its manifold activities have resulted in a series of reports, focusing particularly on distribution methods and comparative costs in sales as against drop delivery. The findings were subsequently forwarded to the U.S. Department of Agriculture and to employers in the industry.

In seeking to produce a more efficient distribution system for baked goods, the Foundation offered employers and union the opportunity to discuss freely their problems away from the pressures and emotions of the bargaining table. The purpose of these meetings was characterized by a Foundation spokesman as follows:³¹

The Foundation does not provide the solutions. It aids the decision-making parties, management and labor, to seek out the solutions for themselves in an atmosphere of reasonableness and cooperation. The primary objective of the Foundation is to guide labor and management into programs that increase the productivity of the distribution services. We feel that in this way we can make a contribution not only in improving management and labor relations, but also towards more rapid increases in standards of living. For with income, as with goods, operators and men cannot share what has not been produced.

These seminars are conducted periodically both at national and regional levels. They involve top management of the baking industry, who ordinarily would not be involved in collective bargaining, as well as intermediate managers (who have direct collective bargaining responsibilities) and Teamsters officials. The seminars are confidential and no minutes are taken. Both management and union concluded that the seminars would be most effective if the participants knew that their statements would not be used against them in subsequent negotiations. Thus, the Economics of Distribution Foundation, Inc., in effect, conducts its business in the same way as the later-developed human relations committee in the primary metals industry. In the latter, this technique was adapted to a broad spectrum of labor-management problems.

In an interview, Foundation President Kaplan assessed the organization as having already served its purpose successfully in that the parties have introduced and experimented with changes in distribution that have helped the baking industry to recapture some of the lost volume. These changes have involved both the method of distribution and the system of compensation. Drop deliveries and modified drop deliveries have been adopted by some

³¹ Kaplan, David, "Baking Distribution—A New Look," mimeographed paper, Economics of Distribution Foundation, date

companies. In many cases, high commission rates for driver-salesmen have been modified. According to Mr. Kaplan, however, earnings have not diminished. In fact, they have increased as lost volume has been regained.

The American Foundation on Automation and Employment, Inc.

Early in 1962, John Snyder, president of U.S. Industries, Inc., and Al Hayes, then president of the International Association of Machinists (AFL-CIO), jointly announced the formation of the American Foundation of Automation and Employment, Inc. The foundation was the result of their joint concern with the human problems generated by the introduction of automated equipment into manufacturing plants. Said Mr. Snyder:³²

. . . Those companies actively engaged in the production of automation equipment must also hasten to shoulder their proper share of the clear responsibilities imposed on us all by our technological achievements in this field . . . Positive, affirmative steps by the makers of machines must be taken now to preserve the human values which are bound up in today's changing times . . .

Both U.S. Industries and the Machinists had built up 6 years of harmonious cooperation in another foundation that is still in existence. The earlier group, the Foundation on Employee Health, Medical Care, and Welfare, Inc., was formed by Mr. Snyder and Mr. Hayes in 1956 when congressional investigations revealed corruption and undesirable influences in the administration of certain health and welfare funds and thus the need for impartial guidance in handling these complex matters. The Foundation's objective was "to obtain the greatest value for (management and labor's) collectively bargained health and welfare benefits." In pursuit of this end, it contracted out research projects to universities and consultants, performed some research on its own, and issued a number of publications on health and welfare costs and administration and on the merits of various types of health insurance. At the time of this study, this foundation functioned only as a distributor of its publications; it believed that it had already served its major purpose and had no plans to begin new research projects.

The co-chairmen, as in the predecessor foundation, were Mr. Snyder and Mr. Hayes, and Theodore Kheel was secretary-treasurer. Mr. Kheel also held membership in the earlier foundation. The Foundation's Board of Directors included additional representatives from U.S. Industries and IAM as well as a number of public figures drawn from unions, universities, municipal and Federal Government, and business. It derives its financial support from a royalty or "dues" based on the sale of U.S. Industries equipment.

In practice, the greatest emphasis of the Foundation's activities has been placed upon conferences, although some research grants were made. Among the study grants was one to Cornell University to study the problems of retraining adults displaced by automation, and to Robben W. Fleming and Murray Edelman of the University of Illinois to study the politics of wage-price decisions in four countries.

The conferences since 1962 have covered a wide range of interrelated topics. The first, held in London in 1962, was designed to determine the status of research of automation and technological change problems in a wide number of participating countries. Subsequent conferences dealt with problems of automation and technological change; automation and public welfare; automation, education and collective bargaining; training and retraining; employment problems of automation and advanced technology, and industrial opportunities and jobs in New York City.

These conferences and research grants have resulted in a series of publications, some published by the foundation and others published under different auspices.

At the time of this study, the future of the Foundation had been clouded by the death of John Snyder. Its staff and members of its Board felt that the Foundation still served a useful purpose. They hoped that it would continue under USI-IAM sponsorship, or if not, under the sponsorship of other organizations that also have a stake in resolving these problems.

³² U.S. Industries, in recognition of its international activities, in late 1962 established a similar foundation in England, called the Foundation on Automation and Employment, Ltd.

Appendix B. Selected Management Rights Provisions

To illustrate how the various parts of management rights clauses fit together, this appendix reproduces several provisions in their entirety. These include general as well as enumerated statements, and examples of residual rights provisions.

From the agreement between
AIRTEMP DIVISION OF THE CHRYSLER CORPORATION
AND THE INTERNATIONAL UNION OF ELECTRICAL WORKERS
(expiration date: October 1967)

The corporation has the exclusive right to manage its plants and offices and direct its affairs and working forces subject only to such regulations and restrictions governing the exercise of these rights as are expressly provided in this agreement.

From the agreement between
THE GENERAL TIRE AND RUBBER COMPANY AND
THE UNITED RUBBER WORKERS OF AMERICA
(expiration date: May 1967)

Article V

Management Clause

Management of the business, operation of the plant, direction of the working force, and the authority to execute all the various duties, functions, and responsibilities in connection therewith is vested in the company. The exercise of such duties, functions, and responsibilities shall not conflict with this agreement or any local supplements thereto.

From the agreement between
THE MAGNA COPPER COMPANY AND THE
INTERNATIONAL UNION OF MINE, MILL AND
SMELTER WORKERS
(expiration date: July 1967)

4-1 The company retains and shall maintain and exercise all managerial authority and prerogatives, subject only to the express terms and provisions of this agreement.

4-2 Nothing in this agreement shall be interpreted as interfering in any way with the company's right to alter, rearrange, or change, extend, limit, or curtail its operations or any part thereof, or to shut down completely, whatever may be the effect upon employment, when in its sole discretion it may deem it advisable to do all or any of said things when such action is not in conflict with the provisions of this agreement. Nothing in this agreement shall be construed so as to deprive the union of any rights under existing laws.

From the agreement between
 MAGNAVOX COMPANY AND THE INTERNATIONAL
 UNION OF ELECTRICAL WORKERS (IUE)
 (expiration date: June 1968)

The right to hire, layoff, and discharge employees for just and lawful cause; and the management, disposition, and number of working force, the right to contract out work, the right to make reasonable assignments of jobs; to determine the products to be manufactured, processed, or handled by the employee; to establish production schedules, methods, processes, and means and ends; to determine its general business practice and policy; to open new units, assembly lines, departments, and operations, and to terminate or close them; to make promotions to supervisory or executive positions; to increase or decrease the working force are among the sole prerogatives of the company; provided, however, that this section will not be used to discriminate against the union and membership thereof and also this section will not in any way abrogate or interfere with the employee's rights under the terms of this agreement, including the use of the grievance and arbitration procedure.

From the agreement between
 LEVER BROTHERS COMPANY AND THE
 INTERNATIONAL CHEMICAL WORKERS UNION
 (expiration date: March 1966)

25.(C) All the functions, powers or authority which the company has not specifically abridged, delegated, or modified by this agreement will be recognized by the union as being retained by the company.

26.(D) The union recognizes that there are functions, powers, and authorities belonging solely to the company, prominent among which, but by no means wholly inclusive, are the functions of introducing new or improved production methods or equipment, deciding the number and location of plants, the nature of equipment or machinery, the products to be manufactured, the methods and processes of manufacturing, the scheduling of production, the method of training employees, the designing and engineering of products and the control of raw materials, as well as the assignment of work to outside contractors after due consideration by the company to the interests of regular employees. Nothing in this paragraph shall be construed as preventing a local union and local management from entering into a local mutual arrangement to provide that qualified hourly employees, if available, shall normally be used to train other hourly employees on presently established jobs; however, in the event such an arrangement is entered into, it shall in no way be considered a relinquishment of management rights as outlined herein.

27.(E) Subject to the provisions of this agreement including local supplementary agreements there shall be no interference with the functions of the company as outlined in the following subparagraphs (1), (2), (3), (4), and (5):

28.(1) To make or change such reasonable rules and regulations as it may deem necessary and proper to the conduct of its business, with the understanding that reasonableness is an arbitrable question.

29.(2) To permanently eliminate, change, or consolidate jobs, sections, departments, or divisions. In the case of eliminations or consolidations resulting from reduced production, reduced work, or new machines, processes or methods, the company shall have the right to effectuate the consolidation, and the employees will comply with the company's requirements, subject to 1 week's advance notice by the company. Thereafter the reasonableness of the rate and job content shall be subject to grievance and arbitration machinery. It is understood, however, that in those cases where jobs are consolidated and a reduced number of employees are asked to increase their individual efforts in order to perform substantially the same amount of work formerly done by a larger number of employees, then the reasonableness of the physical workload shall be subject to grievance and arbitration machinery before the consolidation is effected. It is further understood that the procedure set forth in

the preceding sentence does not apply unless the new physical workload is in excess of that which has been performed over an extended period of time by an employee in a job classification similar to the jobs consolidated; however, in the absence of any such comparison, the union may, if it so desires, refer the reasonableness of the physical workload to arbitration before the consolidation is effected.

30. (3) To operate one or more departments, jobs, sections, or divisions while others are closed down; and to control absolutely the volume of its production and the allocation of work to departments, and jobs, as well as to determine the amount of and the occasions for overtime work.

31. (4) To control the number of employees required from time to time; and, subject to local seniority provisions, to control the assignment of work.

32. (5) To permit personnel outside of the bargaining unit to perform tasks of an experimental, testing or research nature. Ordinary maintenance in connection with experimental, testing or research work shall be done by the mechanical department.

33. Any violation by any party to the agreement of any of the provisions of this mutual security clause shall be deemed to go to the essence of the agreement.

From the agreement between
 AMERICAN MOTORS CORPORATION AND THE
 INTERNATIONAL UNION, UNITED AUTOMOBILE,
 AEROSPACE AND AGRICULTURAL IMPLEMENT
 WORKERS OF AMERICA
 (expiration date: October 1967)

Article I

(A) Management Rights Clause

The parties to this agreement recognize that they are engaged in a common endeavor in which each of them has separate and distinct responsibilities which both of them are obligated to meet in a manner consistent with their mutual overriding responsibility to the community as a whole.

The union recognizes and respects the obligation of management to obtain for the company's stockholders a reasonable return on their investment and to assure the continued growth and prosperity of the company. The company recognizes and respects the obligation of the union to help its members to protect and advance their welfare and to obtain for themselves and their families a fair share of the fruits of their labor. Both parties recognize that they can best fulfill their separate obligations to stockholders and employees, respectively, by conducting their relations with each other on a cooperative basis that will make it possible to offer consumers a growing volume of high quality products at reasonable prices.

To achieve these ends, each party recognizes that it must respect the proper functions of the other.

The union recognizes the right of management to maximum freedom to manage consistent with due regard for the welfare and interests of the employees.

Specifically, the union agrees, in order to clarify its recognition of management functions belonging exclusively to the company, not to request the company to bargain with respect to the following:

1. Any change or modification of management rights clauses contained in the several working agreements with the respective local unions.

2. The right to determine the products to be manufactured, their design and engineering, and the research thereon.

3. The right to determine all methods of selling, marketing, and advertising products, including pricing of products.

4. The right to make all financial decisions including but not limited to the administration and control of capital, distribution of profits and dividends, mortgaging of properties, purchase and sale of securities, and the benefits and compensation of nonunion represented personnel, the financing and borrowing of capital and the merger, reorganization or dissolution of the corporation, together with the right to maintain the corporation's financial books and records in confidence. This right includes the determination of general accounting procedures, particularly the internal accounting necessary to make reports to the owners of the business and to government bodies requiring financial reports.

5. The right to determine the management organization of each producing or distributing unit and the selection of employees for promotion to supervisory and other managerial positions.

The company agrees, in order to clarify its recognition of functions belonging exclusively to the union, not to request the union to bargain with respect to any matter involving the internal affairs, procedures or practices of the union, including, but without limitations, such matters as the amount or manner of levying initiation fees, dues, assessments and fines, election or appointment of union officers, stewards, committeemen, members of union committees or union representatives, delegates to conventions or other union functions, the individuals holding such positions, procedures for formulation of demands, for deciding upon strike action or other concerted action, and for ratification of agreements; provided, however, that this shall not preclude the company from bringing to the attention of, and discussing with, the union any matter which has bearing on relations between them.

None of the foregoing shall be deemed to modify or limit any right secured to either the company or the union in the national economic agreement or the several local working agreements.

The union hereby agrees to relieve the company from any obligation to bargain or negotiate with respect to any of the matters mentioned in the preceding paragraphs as matters with respect to which it will not request the company to bargain.

The company recognizes, however, that decisions made pursuant to the exercise of the management rights set forth above may have impact upon employees. The company, therefore, recognizes that it is a proper function and a right of the union to bargain, and the company agrees that it will discuss and bargain in good faith with the union at the latter's request, with respect to the impact of such decisions upon wages, hours, and other terms and conditions of employment or upon the convenience, welfare, interests, health, safety, security and dignity of employees and their families. The company will continue its past practice of advising and consulting with the union in advance of the effectuation of decisions having an impact upon such matters. The company further agrees that it will refrain from assigning to unrepresented employees operations or functions presently performed by represented employees at the same location.

Insistence by the company upon full compliance with this agreement and with the management rights clauses in the said several working agreements shall not be an objective of, or reason, or cause for any strike, slowdown, work stoppage, walkout, picketing, or other exercise of force or threat thereof by the union or any of its members; nor shall insistence by the union upon full compliance with this agreement and the provisions of the national economic agreement or the several local working agreements be an objective of, or reason, or cause for any lockout, or punitive, discriminatory or disciplinary action or other exercise of force or threat against any employee; provided, however, that nothing in this paragraph shall be deemed to modify or limit any right secured to either the company or the union in such agreements.

This management rights clause shall remain in full force and effect, as long as the progress sharing plan as set forth herein or as hereafter amended shall not have been terminated.

Appendix C. Selected Union-Management Cooperation Provisions

This appendix illustrates how the various parts of union-management cooperation fit together, in their entirety. These include pledges and joint committees concerned with cooperation on a variety of production and promotion matters.

From the agreement between
THE CAMPBELL SOUP COMPANY AND THE
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
(expiration date: May 1966)

Recognizing that the road to better working conditions and wages lies in increasing the profits of the company, and recognizing that the happiness and security of its working force is of great importance to an efficient and profitable operation, the union and the company, on behalf of the employees and the management staff, jointly pledge to do everything within their power to:

- (a) Carry out the principles above expressed.
- (b) Improve the products of the company.
- (c) Improve the efficiency of manufacturing.
- (d) Conduct themselves individually and collectively as to reflect favorably on the business, and improve the public standing of the company and the union.
- (e) Promote the sale of the company's products through grocery stores to the general public.

From the agreement between
PACIFIC COLUMBIA MILLS AND THE
TEXTILE WORKERS UNION OF AMERICA
(expiration date: June 1968)

The union recognizes the responsibilities imposed upon it as the exclusive bargaining agent of the employees, and realizes that in order to provide maximum opportunities for continuing employment, good working conditions, and good wages, the employer must be in a strong market position, which means it must produce efficiently and at the lowest possible costs consistent with fair labor standards. The union, through its bargaining agency, assumes responsibility for cooperating in the attainment of these goals. The union, therefore, agrees that it will cooperate with the employer and support its efforts to assure a full day's work on the part of its members; that it actively will combat absenteeism and any other practices which restrict production. It further agrees that it will support the employer in its efforts to improve production, eliminate waste in production; conserve materials and supplies; improve the quality of workmanship; prevent accidents, and strengthen good will between the employer, the employees, the consumer, the union, and the public.

From the agreement between
ALCO PRODUCTS, INC., AND THE
UNITED STEELWORKERS OF AMERICA
(expiration date: March 1966)

It is the further intent of the parties to secure and sustain maximum productivity per employee during the term of this agreement. In return for wages paid by the company and consistent with the principle of a fair day's work for a fair day's pay, the union reaffirms its agreement with the objective of achieving the highest level of employees performance and efficiency consistent with job evaluation, safety, good health and sustained effort, and agrees that the union, its agents and its members will not take, authorize, or condone any action which interferes with the attainment of such objective.

From the agreement between
ARMOUR AND COMPANY AND THE
PACKINGHOUSE, FOOD AND ALLIED WORKERS
(expiration date: August 1967)

Automation Fund

It is recognized that the meatpacking industry is undergoing significant changes in methods of production, processing, marketing, and distribution. Armour's modernization program is vital to its ability to compete and grow successfully, thus providing a reasonable return on capital invested in the enterprise and providing the assurance of continued employment for the employees under fair standards of wages, benefits, and working conditions. Jobs are directly dependent upon making Armour products desirable to present and future customers from the viewpoint of quality and price.

Mechanization and new methods to promote operating and distributing efficiencies affect the number of employees required and the manner in which they perform their work. Technological improvement may result in the need for developing new skills and the acquiring of new knowledge by the employees. In addition, problems are created for employees affected by these changes that require the joint consideration of the company and the unions.

The company and the unions have in this and in past agreements provided benefits to soften the effect of some of these changes where employees are laid off or terminated. However, it is recognized that these problems require continued study to promote employment opportunities for employees affected by the introduction of more efficient methods and technological changes.

The company, therefore, agrees with the unions to continue the automation fund established on September 1, 1959. The automation fund shall continue to be administered by a committee of nine, composed of four representatives of management and two representatives selected by each of the two unions, and an impartial chairman selected by mutual agreement of the parties.

The management and the unions shall each pay for the expenses of their respective representatives on the committee.

The fees and expenses of the impartial chairman shall be paid by the fund.

The committee is also authorized to utilize the fund for the purpose of studying the problems resulting from the modernization program, and making recommendations for their solution, promoting employment opportunities within the company for those employees affected, training qualified employees in the knowledge and skill required to perform new and changed jobs so that the present employees may be utilized for this purpose to the greatest extent possible, and providing allowances towards moving expenses for employees who transfer from one plant to another of the company's plants in accordance with the procedures provided in article XXIII. It is agreed, however, that the fund shall not be used to increase present separation pay benefits or T.A.P. benefits.

The committee should also continue to consider other programs and methods that might be employed to promote continued employment opportunities for those affected.

Except as explicitly provided otherwise below, the findings and recommendations of the committee shall not be binding upon the parties but shall be made to the company and to the unions for their further consideration.

In addition, the committee shall make determinations and formulate procedures under the terms of the master agreement as follows:

First, in accordance with section 23.1 (a), describe the form, formulate the procedures and determine the extent in which the company shall make seniority list information available to the unions.

Second, in accordance with section 23.1 (b), determine the number of calendar days within which an employee shall file a written request of transfer to another plant.

Third, in accordance with section 23.1 (d) (ii), define a proper offer of transfer and formulate rules and procedures providing for termination of an employee's right of transfer on refusal of such an offer of transfer.

Fourth, in accordance with section 23.1 (e), formulate rules for limiting the number of transfers into any bargaining unit in any one year.

Fifth, in accordance with section 24.1 of article XXIV-B define a replacement plant.

Up to \$50,000 each contract year shall be made available from money in the automation fund as of the effective date of this agreement for the expenses of the automation fund committee and studies authorized by that committee. The balance of the money in the fund as of the effective date of this agreement shall be made available for relocation costs of employees transferred as provided under this agreement and for whatever retraining programs may be determined. The company shall make no further contributions to the automation funds.

From the agreement between
THE SAN JOAQUIN VALLEY HOTEL, RESTAURANT AND
TAVERN ASSOCIATION, INC., AND THE HOTEL AND
RESTAURANT WORKERS
(expiration date: August 1967)

Immediately upon the signing of this agreement, a labor-management committee shall be established consisting of three representatives of the San Joaquin Valley Hotel, Restaurant and Tavern Association, Inc., and the Local Joint Board. Said committee shall hold regular meetings sometime during the third week of the odd numbered months. They shall determine problems of mutual concern to the parties not specifically covered by the terms of the agreement. The purpose of the committee shall be to promote and to perpetuate harmonious relations to study and recommend ways and means of promoting the economic welfare of the employers and the members of the union. This committee shall not supersede the functions of the adjustment board as set forth (in this agreement) and this committee shall have no authority to negotiate a new agreement or amend this agreement.

From the agreement between
THE EMPIRE STATE CLOTH, HAT AND CAP MANUFACTURERS ASSOCIATION
AND THE UNITED HATTERS, CAP AND MILLINARY WORKERS
(expiration date: June 1966)

41. Each employer agrees to contribute to a fund heretofore established by the National Cap and Cloth Hat Institute, Inc., a sum equal to 1 percent of the gross payrolls of all its employees covered by this agreement. The contributions to the said fund shall be used for the purpose of promoting the consumption of caps and cloth hats and for the general welfare of the industry. Failure of an employer to make the contributions provided herein shall constitute a breach of this agreement which may be remedied in the same manner as any other dispute, claim, or controversy arising under the agreement.

From the agreement between
THE PLUMBING AND HEATING CONTRACTORS COVERING SAN FRANCISCO,
MARIN, SONOMA AND MENDOCINO COUNTIES, CALIFORNIA AND THE
UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF
THE PLUMBING AND PIPE FITTING INDUSTRY
(expiration date: March 1966)

Promotion Fund

Each employer shall pay to a promotion trust the sum of 5 cents per hour from July 1, 1962 to June 30, 1963; 8 cents per hour from July 1, 1963 to June 30, 1964; and 10 cents per hour from July 1, 1964 to June 30, 1965 and 14 cents per hour from July 1, 1965 to March 31, 1966, all dates inclusive. Said trust shall be administered by a board of trustees composed of employer representatives and public representatives. The fund shall be used to promote and benefit the plumbing and pipefitting industry. No portion of such fund shall be paid to any representative of employees as enjoined by the Labor-Management Relations Act of 1947, as amended. No portion of such fund shall be used for purposes inimical or opposed to the interests of the union or its members. The union may obtain a temporary restraining order and injunction from a court of competent jurisdiction to prevent use of fund moneys for purposes which, in the union's opinion, would be inimical or opposed to such interests.

Each employer hereby agrees to be bound by the trust agreement for said fund as is fully set forth herein, and by any duly adopted amendments thereto.

If a court of competent jurisdiction should decree that the provisions of this section are invalid, or that the sums provided for herein are not collectible by law, then the assets of said trust, after payment of remaining lawful obligations, shall be transferred to such fringe benefit fund as shall be designated by the union; and all sums required by this agreement to be paid to the promotion fund shall instead be paid to such other trust or fund for the duration of this agreement.

Neither the union, nor any of its representatives or members, shall have any responsibility for any action or inaction of the trustees, or the manner in which the fund is administered.

Appendix D. Identification of Clauses

<u>Clause number</u>	<u>Employer and union</u>	<u>Expiration date</u>
1	Ingersoll-Rand Co. Electrical, International (IUE).	July 1966
2	Western Electric Co., Inc. Communications (CWA).	September 1966
3	General Electric Co. United Electrical Workers (UE) (Ind.).	October 1966
4	Michigan Linen Supply. Laundry, Dry Cleaning and Dye House Workers (LWIU) (Ind.).	April 1967
5	Midtown Realty Owners Association. Building Service (BSE).	February 1966
6	ACF Industries. Machinists (IAM).	July 1968
7	Ohio Bell Telephone Co. Communications (CWA).	September 1966
8	Sherwin-Williams Co. Oil, Chemical and Atomic Workers (OCAW).	June 1967
9	J. F. McElwain Co. New Hampshire Shoe Workers (Ind.).	March 1965
10	General Motors Corp. Auto Workers (UAW).	September 1967
11	International Harvester Co. Federal Labor Union (FLU).	September 1967
12	Chicago Lighting Equipment Manufacturers Association. Electrical, Brotherhood (IBEW).	August 1967
13	Jewel Tea Co., Inc. United Retail Workers Union (Ind.).	January 1965
14	Associated Laundry Owners. Laundry, Dry Cleaning and Dye House Workers (LWIU) (Ind.).	March 1964
15	Green Shoe Manufacturing Co. Shoe Workers (BSW).	December 1966
16	Hercules-Powder Co. Chemical (ICW).	March 1966
17	United States Steel Corp.—Production Division. Steelworkers (USA).	April 1965
18	Coleman Co., Inc. District 50—Mine Workers (UMW-50) (Ind.).	November 1967
19	Schiffler Lace and Embroidery Manufacturers Association. United Textile Workers (UTWA).	April 1965
20	Lever Brothers. Chemical (ICW).	March 1966
21	American Motors Corp. Auto Workers (UAW).	October 1967

<u>Clause number</u>	<u>Employer and union</u>	<u>Expiration date</u>
22	Olin-Mathieson Chemical. District 50—Mine Workers (UMW—50) (Ind.).	November 1967
23	Ohio Edison Co. Utility (UWU).	June 1966
24	General Telephone Co. of California. Communications (CWA).	March 1967
25	P. Lorillard Co. (Louisville Plant) Tobacco Workers (TWIU).	December 1967
26	Great Atlantic and Pacific Tea Co. Teamsters (TCWH) (Ind.)	August 1968
27	R. C. Mahon Co. Steelworkers (USA).	August 1965
28	Associated Cleaning Plant Owners. Laundry, Dry Cleaning and Dye House Workers (LWIU) (Ind.).	March 1966
29	B. F. Goodrich Co.—Footwear Division Federal Labor Union (FLU).	May 1965
30	Union Oil Company of California Oil, Chemical and Atomic Workers (OCAW).	June 1966
31	Kroger Co.—Wyatt Food Stores Division. Retail Clerks (RCIA).	August 1966
32	Munsingwear, Inc. Textile Workers Union (TWUA).	March 1968
33	Sperry Rand Corp.—Office Machine Division Machinists (IAM).	June 1966
34	Ametek, Inc.—U. S. Gauge Division. Machinists (IAM).	September 1967
35	General Refractories Co. Brick and Clay Workers (UBCW).	July 1966
36	Lily-Tulip Cup Corp. Printing Pressmen (IPPA).	November 1965
37	Wholesale Grocers Association. Teamsters (TCWH) (Ind.).	October 1965
38	Robertshaw-Fulton Controls Co. Steelworkers (USA).	September 1965
39	The Fair. Retail Clerks (RCIA).	August 1967
40	Magnavox Co. Allied Industrial Workers (AIW).	August 1967
41	Mergenthaler Linotype Co.—Eltra Division Auto Workers (UAW).	February 1968
42	Erwin Mills, Inc. United Textile Workers (UTWA).	March 1966
43	Cameron Iron Works, Inc. Machinist (IAM).	June 1966
44	Montefiore Hospital. Retail, Wholesale (RWDSU).	June 1968
45	Johnson and Johnson and Ethicon, Inc. Textile Workers Union (TWUA).	May 1966
46	Wisconsin Electric Power Co. Electrical, Brotherhood (IBEW).	June 1967
47	St. Joseph Lead Co. Steelworkers (USA).	March 1968
48	McLouth Steel Corp. Steelworkers (USA).	December 1965

<u>Clause number</u>	<u>Employer and union</u>	<u>Expiration date</u>
49	Tennessee Copper Co. Chemical (ICW).	August 1965
50	Clarostat Manufacturing Co., Inc. Electrical, International (IUE).	October 1965
51	Raytheon Co. Electrical, Brotherhood (IBEW).	August 1966
52	Calumet and Hecla, Inc. Steelworkers (USA).	August 1965
53	American Cyanamid Co. Chemical (ICW).	December 1966
54	Hughes Tool Co. Steelworkers (USA).	September 1967
55	Wieboldt Stores, Inc. Building Service (BSE).	May 1965
56	Defoe Shipbuilding Co. Marine and Shipbuilding Workers (IUMSW).	June 1967
57	General Telephone Co. of Pennsylvania. Electrical, Brotherhood (IBEW).	July 1965
58	I/A Missouri River Basin. Boilermakers (BBF).	July 1967
59	Detroit Tooling Association. Auto Workers (UAW).	October 1967
60	Ling-Temco-Vought, Inc. Auto Workers (UAW).	October 1965
61	Potlatch Forests, Inc. Woodworkers (IWA).	May 1967
62	Scoville Manufacturing Co. Auto Workers (UAW).	October 1966
63	The Boeing Company Seattle Professional Engineering Employees Association (Ind.).	June 1965
64	Ohio Brass. Machinists (IAM).	June 1966
65	Marshall Field and Co. Building Service (BSE).	June 1967
66	Riegel Paper Corp. Papermakers and Paperworkers (UPP).	October 1965
67	Minnesota Apparel Industries. Clothing Workers (ACWA).	May 1965
68	Stewart-Warner Corp. Electrical, Brotherhood (IBEW).	December 1967
69	Crocker, Burbank and Co. Papermakers and Paperworkers (UPP).	July 1965
70	Giant Food, Inc. Retail Clerks (RCIA).	February 1966
71	Atlantic Refining Co. Atlantic Independent Union (Ind.).	March 1967
72	Campbell Soup Co. Meat Cutters (MCBW).	February 1966
73	Douglas Aircraft Co., Inc. The Southern California Engineering Association (Ind.)	August 1965
74	P. Lorillard Co. (Greensboro Plant) Tobacco Workers (TWIU).	February 1968

<u>Clause number</u>	<u>Employer and union</u>	<u>Expiration date</u>
75	Pennsylvania Power and Light Co. Employees Independent Association (Ind.).	May 1965
76	I/A Independent Packing Houses. Meat Cutters (MCBW).	November 1967
77	Whirlpool Corp. Teamsters (TCWH) (Ind.).	July 1967
78	Combustion Engineering, Inc. Boilermakers (BBF).	August 1966
79	Sperry Rand Corp.—Univac Division Electrical, Brotherhood (IBEW).	May 1967
80	The United Illuminating Co. Federation of Utility Employees (Ind.).	June 1966
81	Textile Machine Works. Textile Machine Works Employees' Independent Union (Ind.).	January 1966
82	International Telephone and Telegraph Co. Electrical, International (IUE).	September 1964
83	Winery Employers Association. Distillery Workers (DRWW).	July 1966
84	Detroit Hotel Association. Hotel and Restaurant (HREU).	December 1964
85	Federal Glass Co., Division of Federal Paper Board Co., Inc. Glass Workers (AFGW).	September 1965
86	ACF Industries—Carter Carburetor Division Auto Workers (UAW).	June 1968
87	United Parcel Co. Teamsters (TCWH) (Ind.).	March 1965
88	Brooklyn Union Gas Co. Transport Workers Union (TWU).	March 1968
89	Hamilton Manufacturing Co. Carpenters (CJA).	July 1965
90	Owens-Illinois Glass Co. Glass Workers (AFGW).	September 1965
91	Clark Bros. Co.—Division of Dresser Industries, Inc. Steelworkers (USA).	September 1965
92	Northrop Corp.—Ventura Division. Organization of Northrop Employees (Ind.).	August 1966
93	Magnavox. Electrical, International (IUE).	June 1968
94	New York Industrial Council of National Authority of Ladies Handbag Industry. Leather Goods, Plastic and Novelty Workers (LGPN).	May 1965
95	Kelloggs Co. Grain Millers (AFGM).	April 1966
96	Coal Producers Association. Progressive Mine Workers (Ind.).	March 1966
97	Realty Advisory Board. Building Service (BSE).	December 1965
98	Ford Motor Co. Auto Workers (UAW).	September 1967
99	Distributors Association. Longshoremen and Warehousemen (ILWU) (Ind.).	May 1967

<u>Clause number</u>	<u>Employer and union</u>	<u>Expiration date</u>
100	Philadelphia Gas Works. Gas Works Employees' Union of Philadelphia (Ind.).	March 1967
101	ACF Industries. Auto Workers (UAW).	June 1968
102	I. B. Kleinert Rubber Co. Federal Labor Union (FLU).	November 1966
103	Associated General Contractors of America, Cincinnati, Ohio. Carpenters (CJA).	May 1967
104	Michigan Consolidated Gas Co. Building Service (BSE).	June 1967
105	Corning Glass Works. Flint Glass Workers (AFGW).	January 1966
106	Union Carbide Corp. Chemicals and Crafts Union, Inc. (Ind.).	May 1966
107	Otis Elevator Co. Electrical, International (IUE).	August 1964
108	National Can Corp. Steelworkers (USA).	April 1965
109	Atlas Chemical Industries. Inc. District 50-Mine Workers (UMW-50) (Ind.).	June 1967
110	Packaging Corporation of America. Pulp, Sulphite Workers (PSPMW).	July 1966
111	Pennsylvania Electric Co. Electrical, Brotherhood (IBEW).	May 1966
112	Revlon, Inc. Retail, Wholesale (RWDSU).	January 1965
113	New York Shipping Association, Inc. Longshoremen's Association (ILA).	September 1968
114	McDonnell Aircraft Corp. Machinists (IAM).	November 1965
115	Walworth Co. Steelworkers (USA).	April 1965
116	Beech-Nut Life Savers, Inc. Beech-Nut Employees Association (Ind.).	December 1965
117	Metropolitan Container Council, Inc. Retail, Wholesale (RWDSU).	August 1965
118	Publishers Association of New York City Typographical Union (ITU).	March 1965
119	Los Angeles Coat and Suit Manufacturers Association. Ladies Garment (ILGWU).	May 1967
120	California Water and Telephone Co. Electrical, Brotherhood (IBEW).	December 1964
121	U.S. Potters Association. Potters (IBOP).	November 1967
122	Granite City Steel Co. Steelworkers (USA).	April 1965
123	Meat Trades Institute, Inc. Meat Cutters (MCBW).	June 1966
124	The Great Atlantic and Pacific Tea Co. Meat Cutters (MCBW).	September 1965
125	Hershey Chocolate Corp. Bakery Workers (ABCW).	December 1966

<u>Clause number</u>	<u>Employer and union</u>	<u>Expiration date</u>
126	Industry/Area Woven Label Companies. Textile Workers (UTWA).	May 1964
127	Clark Equipment Co. Allied Industrial Workers (AIW).	April 1965
128	Clothing Manufacturers Association of the USA. Clothing Workers (ACWA).	May 1968
129	Dry Cleaning and Laundry Institute of Detroit, Inc. Clothing Workers (ACWA).	August 1968
130	Industry/Area Glass Companies. Glass and Ceramic Workers (UGCW).	March 1964
131	Continental Can Co. Steelworkers (USA).	February 1965
132	Emerson Radio and Phonograph Corp. Electrical, International (IUE).	December 1966
133	Graphic Arts Association of Michigan, Inc. Bookbinders (IBB).	July 1967
134	California Processors and Growers, Inc. Teamsters (TCWA) (Ind.).	March 1964
135	California Brewers Association Teamsters (TCWH). (Ind.).	March 1964
136	Distributors Association of Northern California. Longshoremen and Warehousemen (ILWU) (Ind.).	May 1964
137	Atlantic and Gulf District—Standard Tanker. Marine Engineers (MEBA).	June 1965
138	Atlantic City Electric Co. Electrical, Brotherhood (IBEW).	December 1967
139	Golden Gate Restaurant Association. Hotel and Restaurant (HREU).	August 1969
140	Wallpaper Manufacturing Industry. Pulp, and Sulphite Workers (PSPMW).	May 1966
141	National Master Freight Agreement and Central States Local Cartage Supplement. Teamsters (TCWH) (Ind.)	March 1967
142	American Smelting and Refining Co. Mine, Mill and Smelter Workers (MMSW)(Ind.).	June 1967
143	Florida Power Corp. Electrical, Brotherhood (IBEW).	October 1966
144	Kelly Springfield Tire Co. Rubber Workers (URW).	June 1967
145	Chicago Meat Packers and Wholesale Association Meat Cutters (MCBW).	April 1967
146	Boston Gas Co. District 50-Mine Workers (UMW-50) (Ind.).	September 1967
147	Campbell Soup Co. Retail, Wholesale (RWDSU).	November 1966
148	Fischer Packing Co. and Klarer of Kentucky, Inc. Meat Cutters (MCBW).	October 1964
149	Industry/Area Leather Handbags. Leather Goods (LGPN).	September 1965
150	Oregon Restaurant and Beverage Association. Hotel and Restaurant (HREU).	May 1967

<u>Clause number</u>	<u>Employer and union</u>	<u>Expiration date</u>
151	Empire State Cloth, Hat and Cap Manufacturers Association, Inc. Hatters (HCMW).	June 1966
152	Eastern Women's Headwear Association. Hatters (HCMW).	December 1965
153	Detroit Mason Contractors Association. Bricklayers (BMP).	April 1966
154	Keystone Building Contractors Association Hod Carriers (HCL).	June 1966
155	The Building Trades Employers Association of Rochester. Hod Carriers (HCL).	April 1967
156	General Building Contractors Association Carpenters (CJA).	April 1965
157	Plumbing and Heating Contractors. Plumbers and Pipefitters (PPF).	March 1966
158	Associated General Contractors, Western Washington District Council. Hod Carriers (HCL).	January 1968
159	Associated General Contractors of America, Nevada Chapter. Building and Construction Trades Department.	May 1965
160	Association of Master Painters and Decorators of New York City. Painters and Paperhangers (BPDP).	July 1965
161	Home Builders Association of Greater Seattle, Inc. Carpenters (CJA).	February 1965
162	Furnace Dealers and Sheet Metal Contractors. Sheet Metal Workers (SMW).	June 1965
163	Sheet Metal Contractors Association of San Francisco. Sheet Metal Workers (SMW).	June 1965
164	Associated General Contractors of America, Baltimore, Maryland. Hod Carriers (HCL).	March 1970
165	National Women's Neckwear and Scarf Association. Ladies Garment (ILGWU).	April 1966
166	Bay Area Painters and Decorators. Painters and Paperhangers (BPDP).	June 1965
167	Painting and Decorating Contractors. Painters and Paperhangers (BPDP).	April 1966
168	Associated Plumbing Heating and Cooling Contractors. Plumbers and Pipefitters (PPF).	March 1966
169	Ingersoll Rand Co. Machinists (IAM).	June 1969
170	Celanese Corp. of America. Textile Workers (TWUA).	April 1965
171	Anchor Hocking Glass Corp. Flint Glass Workers (AFGW).	September 1965
172	Industry/Area Milk Dealers. Teamsters (TCWH) (Ind.).	September 1965

<u>Clause number</u>	<u>Employer and union</u>	<u>Expiration date</u>
173	N. Y. State Electric and Gas Corp. Electrical, Brotherhood (IBEW).	June 1965
174	Firestone Tire and Rubber Co. Rubber Workers (URW).	April 1967
175	Illinois Association of Breweries and Beer Wholesalers. Teamsters (TCWH) (Ind.).	April 1968
176	Tecumseh Products Co. United Products Worker (Ind.).	August 1965
177	Piper Aircraft Corp. Machinists (IAM).	September 1965
178	New Jersey Laundry and Cleaning Institute. Laundry and Dry Cleaning Union (LDC).	July 1964
179	Publishers Association of New York City. Printing Pressmen (IPPA).	June 1965
180	Eaton Manufacturing Co. Mechanics Educational Society (MESA).	July 1967
181	Reliance Electric and Engineering Co. Electrical, International (IUE).	June 1966

NOTE: All unions are affiliated with the AFL-CIO except those followed by (Ind.).

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