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Wage Chronology: The Boeing Co. [Washington Plants] and International Association of Machinists, June 1936-October 1977



U.S. Department of Labor
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1976

Bulletin 1895

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U.S. Department of Labor
W. J. Usery, Jr., Secretary

Bureau of Labor Statistics
Julius Shiskin, Commissioner

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Preface

This bulletin was prepared by the Bureau of Labor Statistics as part of a series that traces changes in wages and supplementary compensation practices negotiated by individual employers or combinations of employers with a union or group of unions. Benefits unilaterally introduced by an employer generally are included. The information is obtained largely from collective bargaining agreements and related documents voluntarily filed with the Bureau. Descriptions of the course of collective bargaining are derived from the news media and are confirmed and supplemented by the parties to the agreement. Wage chronologies deal only with selected features of collective bargaining or wage determination and are intended primarily as a tool for research, analysis, and wage administration. References to job security, grievance procedures, methods of piece-rate adjustment, and similar matters are omitted. For a detailed description of the purpose and scope of the chronology program, see "Wage Chronologies and Salary Trend Reports," *BLS Handbook of Methods*, Bulletin 1711 (Bureau of Labor Statistics, 1971), pp. 209-12.

This wage chronology summarizes changes in wage rates and supplementary compensation practices negotiated by The Boeing Co. with the International Association of Machinists and Aerospace Workers since June 1936. This bulletin replaces *Wage Chronology: The Boeing Co. (Washington Plants), 1936-67*, published as BLS Bulletin 1565, and incorporates new material describing contract changes for the 1968-77 period. Except for a revised introduction and other minor changes, earlier material is included as originally published.

The U.S. Bureau of the Census has introduced new job titles in its Occupational Classification System to eliminate those that denote sex stereotypes. For purposes of this bulletin, however, old titles have been retained where they refer specifically to contractual definitions. Where titles are used in the generic sense rather than to describe a contract term, they have been changed to eliminate the sex stereotype.

The material covering the 1968-77 period was prepared in the Division of Trends in Employee Compensation by John J. Lacombe II.

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Introduction

The Boeing Co. originated on July 15, 1916, when W. E. Boeing and associates founded Pacific Aero Products Co. in the State of Washington. The name was changed to Boeing Airplane Co. on April 18, 1917, and the present name was adopted on May 3, 1961.

Long one of the Nation's major airframe manufacturers, the company's basic product line has broadened over the years to encompass all types of transportation equipment (including hydrofoils and rapid transit) and related services for commercial and military customers. During 1974, this line accounted for 81 percent of sales, while space and missile equipment were 17 percent of sales. The remainder was composed of sales in such areas as computer services and waste-water treatment.

Primary operations are located in Seattle-Renton-Everett-Auburn, Wash.; Wichita, Kans.; Morton, Pa.; and the Kennedy Space Center in Florida. Activities also are conducted at various secondary locations throughout the country, such as Vandenberg Air Force Base, California; Huntsville, Ala.; Michoud, La.; and Ogden, Utah. Production and maintenance workers at all of these facilities (except Morton)¹ are covered by a master agreement negotiated between the company and the International Association of Machinists and Aerospace Workers (IAM).

The IAM was founded on May 5, 1885, as The United Machinists and Mechanical Engineers of America, by 19 railroad machinists in Atlanta, Ga. Its name was changed to the National Association of Machinists a year later, to the International Association of Machinists in 1890, and to its present name on January 1, 1965. In 1895, it affiliated with the American Federation of Labor (AFL).² During the union's early years, it represented skilled craft workers engaged mainly in manufacture and maintenance of locomotives and marine and stationary engines. The IAM subsequently began to organize manufacturing plants on an industrial basis as methods of production became more complex and companies adopted assembly-line processes, creating a need for a

more broadly based jurisdiction. Today, the IAM is the Nation's sixth largest union and represents about 758,000 machinists and production, maintenance, technical, and clerical workers, concentrated primarily in the machinery, railroad shop, automobile repair, and aerospace industries.

An important event in the IAM's history was the organization of employees at Boeing Aircraft Co. in Seattle. The AFL had granted the union exclusive jurisdiction over "aircraft mechanics" in October 1934. At that time, the industry's work force consisted mainly of such "file-and-fit" craft workers, who worked on an aircraft from start to finish. A local union had first organized Boeing employees on an industrial basis in Seattle and was then given a charter by the IAM despite opposition to the industrial form of the new local by other IAM locals and the Seattle Central Labor Council. On June 26, 1936, the IAM reached a 1-year agreement with Boeing. A year later, the National Labor Relations Board certified the union as exclusive bargaining representative for all the company's hourly rated employees in Seattle.

An intense rivalry for jurisdiction over workers in the airframe industry developed in the late 1930's between the IAM and UAW. The unions later realized that interunion warfare resulted in a disproportionate cost per new member. To ease this situation, a "no-raid" pact was signed in 1949 which prohibited organizing activities by either union in plants where agreements or NLRB certifications were held by the other union. The pact, however, did not apply to new facilities, and organizing competition at such facilities continued. This rivalry has resulted in a division in the aerospace industry, with the IAM now representing about 57,000 employees and the UAW 50,000.

The two unions have attempted to coordinate their bargaining activities since 1953, when they signed a pact providing for exchange of information during negotiations to enable them to achieve their bargaining goals. In 1959, the UAW and IAM held their first joint bargaining conference and for the first time presented a single set of bargaining objectives to the industry. The unions continued to coordinate their bargaining strategy in 1965; however, each union established its goals separately. Following a renewal of jurisdictional problems, the

¹ Production and maintenance workers at the Boeing Vertol Co. are represented by the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW).

² The union left the AFL because of jurisdictional problems in 1946 but reaffiliated in 1951.

alliance was severed in 1968, only to be reinstituted by a new mutual assistance agreement signed in 1971.

Currently, representatives of the IAM and UAW meet jointly prior to industry negotiations to establish common objectives and coordinate strategy. The objectives are influenced to some extent by terms of settlements in the auto industry. Aerospace talks are conducted on a company-by-company basis; after agreement is reached at a major company, similar contracts generally are negotiated throughout the rest of the industry.

Agreements for employees represented by the IAM at Boeing's facilities have been negotiated on a company-wide basis since 1960; thereafter, contract provisions generally have been the same at all of the company's plants. An exception has been costs and benefits of health plans, which at the Washington facilities have differed from those at other locations. The master agreement covers all production and maintenance workers. Relatively small groups of blue collar employees such as plant guards and truckdrivers are represented by other unions. Some engineering employees are represented by a professional organization.

Wages are paid on an hourly basis according to a formalized labor grade system, with all occupations grouped within the various grades. A system called Manpower Control is used for promoting, surplusng, downgrading, and recalling employees. Employees are periodically assigned to one of four promotional levels

based on the company's assessment of worker qualifications and workers are promoted based on promotion level and seniority. For purposes of surplusng, downgrading, and recall, workers with less than 2 years of seniority are classified as MC One and those with 2 years of seniority or more are classified as MC Two. MC One employees are assigned a review level coinciding with their promotion level and surplusng, downgrading, or recall is based on the review level and seniority. MC Two employees have priority over MC One employees and surplusng, downgrading, and recall is based on seniority, except that under an agreed-upon formula, the company could retain a percentage of employees out of seniority order. In addition, a rate progression schedule exists through which certain assigned employees must work a specified number of months at increasing pay rate levels until they reach the established grade rate for the job to which they are assigned.

This chronology relates specifically to those workers represented by the IAM in the State of Washington (who currently number about 18,000) because only this area was covered by the June 26, 1936, agreement; also, some provisions at other locations have differed from those at Washington plants. This chronology describes the major contract changes that have been made since the 1936 contract. Provisions of that first agreement as reported in the chronology do not necessarily represent changes from prior conditions of employment.

Summary of Contract Negotiations

July 1937–February 1943

During this period, three agreements were negotiated by the International Association of Machinists (IAM) with Boeing, and one arbitration award was made. Wages were increased by from 5 to 22.5 cents an hour on July 1, 1937, 5 cents for specified workers on October 17, 1938, 0 to 10 cents on August 1, 1940, and 0 to 8 cents on July 1, 1941 (starting rates were not increased in 1940 or 1941). Other improvements over the period included establishment of reporting time pay and vacation pay and revisions in shift premium, overtime, weekend premium, holiday, and reporting time pay.

March 1943–March 1946

On March 3, 1943, a directive order of the National War Labor Board (NWLB) stipulated that a general wage increase of 4.5 cents an hour be put into effect and requested the parties to consider the establishment of an occupational wage structure similar to that established in the southern California airframe industry. The wage increase was made effective on the date of the NWLB directive. A 10-grade occupational wage-rate structure was established and approved by the Board in a directive order dated September 4, 1943, which resulted in wage increases of from 4.5 cents to 29.5 cents an hour effective on the date of the directive. In addition, employees on the payroll since March 3, 1943, were paid a \$78 lump-sum payment on September 4 in lieu of pay retroactive to March 3; others received \$3 for each week worked between that date and the date of the order.

An agreement was signed in January 1944 which incorporated a vacation plan ordered by the West Coast Aircraft Committee of the NWLB and modified reporting time pay. It also stipulated conditions of work on termination of the President's Executive Order 9240 (which provided for modification of practices relating to weekend premium and holiday pay where necessary to conform to that order) and extended the previous agreement for 6 months after the termination of the national emergency.

March 1946–May 1951

The first contract negotiated after the war was dated March 16, 1946, and was effective for 1 year from that date and provided for a 17.5-to 20-cent-an-hour wage raise, retroactive to February 1. Other changes involved weekend premium and vacation pay.

Negotiations beginning in October 1946 failed to produce agreement on a new contract and were terminated by a work stoppage in April 1948. During the course of the dispute, the company claimed that the strike was in violation of the Labor Management Relations Act of 1947 because the union had failed to give the 60-day strike notice required by the act. The National Labor Relations Board (NLRB) held, however, that the notice provisions of the 1947 act were not applicable to this case, since negotiations had begun prior to its enactment in June 1947. The Board also ordered the company to bargain with the union and to reinstate the striking employees. While the company's appeal from this order was pending in the courts, the strike was ended (on September 10) by vote of the union to accept a 15-cent-an-hour wage advance which the company previously had put into effect for all employees who had returned to work.

On May 31, 1949, the U.S. Court of Appeals in Washington, D.C., upheld the company's position that the strike was illegal, primarily on grounds that the union failed to give notice of contract termination required by the Labor Management Relations Act. As a result of this decision, the union lost its status as bargaining agent but subsequently won representation elections held by the NLRB. The IAM was again certified as exclusive bargaining agent for all production and maintenance employees, with some exclusions, on January 19, 1950.

The first agreement concluded after certification, effective from May 22, 1950, through May 21, 1951, established 8 paid holidays, with triple time for work on such days, and liberalized vacation and sick leave provisions. No general wage change was negotiated; however, on October 30, 1950, the company offered, and the union accepted, a 6-percent general wage increase effective November 1.

May 1951–April 1960

From May 1951 up until April 1960, seven settlements were negotiated, each providing for a general wage advance and a broadening of certain supplementary benefits. All of these agreements, except those negotiated in 1956 and 1958, were to run for 1 year. Each of the two exceptions had terms of approximately 2 years and made provision for general wage increases in the first and second years of the agreements. Among the supplementary benefits that were changed during the 1951–58 period were shift premium pay, holiday pay, vacations, sick leave, jury-duty pay, instructor pay, travel pay and automobile allowance, and health and insurance benefits. In addition, the 1955 contract established a noncontributory pension plan. The new plan provided benefits that could vary from year to year for the same employee, depending on the value of the investments in the fund.

April 1960–September 1962

Negotiations for a new contract, to replace the one expiring April 22, 1960, were instituted by the IAM in March 1960 and terminated in an agreement 5½ months later. The August 11, 1960, agreement was the first companywide agreement with the IAM and was concluded only after a 2-week contract extension, continuation of work without a contract, and rejection by the union membership of five company offers and of two attempts by the union leaders to obtain authorization to strike.

The settlement, as finally agreed to, provided immediate increases ranging from 5.5 to 9.5 cents an hour retroactive to April 23 (June 23 at Wichita, Kans.) and an additional 4.5 to 8 cents an hour in August 1961. Other contract improvements included a new severance pay provision, which was incorporated into the vacation-sick leave program, assumption by the company of all costs of the formerly contributory health and insurance plan, company-paid travel insurance, and higher per diem for employees in travel status. In addition, employees in the four highest labor grades assigned to missile test bases received wage increases above the general wage change.

The IAM contract, covering approximately 24,600 employees at Boeing plants in Washington, was scheduled to remain in effect through September 15, 1962.

September 1962–September 1965

The Boeing Co. and the IAM began negotiations July 12, 1962, for a new agreement on wages and

working conditions for approximately 40,000 employees in the bargaining unit, over one-half of them in the State of Washington. The existing agreement was scheduled to expire September 15, 1962.

Negotiations continued for 10 months. Company proposals were rejected by the members of the bargaining unit on four occasions and strike deadlines were postponed three times at the request of the President of the United States.

In February 1962, the IAM had met with the United Automobile, Aerospace and Agriculture Implement Workers (UAW) in a 2-day session and worked out joint guidelines for negotiators in bargaining with major aerospace producers in five areas.¹ These included general policy statements on employment security, general wage policy, special wage problems, insurance, and union security.

Consistent with these guidelines, IAM's early economic demands on Boeing included a 17-cent-an-hour package for adjustment of intercompany and interindustry wage and fringe benefit inequities, plus a 3-percent general wage increase, a cost-of-living allowance to be reviewed quarterly beginning October 1, 1962, increases in overtime and shift premiums, and a larger number of job classifications for which bonus rates would be paid. Other benefits sought were paid washup periods; more liberal policies regarding accumulation of vacation-sick leave-severance pay credit and its use; and improved group insurance programs and pension plans. The union also sought to incorporate into the new agreement the existing practices of paid rest periods and pay for part of an extended lunch period.

Noneconomic demands, which were major points at issue throughout negotiations, concerned union security, an employee rating system called performance analysis, and job evaluation. The employees' negotiators sought a union shop (a maintenance-of-membership clause was then in effect under which no employee was compelled to join the union, but those who chose to join were required to continue membership as a condition for employment); replacement of the performance analysis rating by seniority as a criterion for downgrading, layoff, and recall; and a joint job reevaluation committee.

On August 8, 1962, the company offered wage increases totaling 16 to 26 cents an hour over the 3-year life of the agreement, and improvements in group insurance and pension plans. The company also proposed reversion to an open shop and tightening of the "rights-of-management" clause.

¹ For a more detailed presentation of the joint program, see *Wage Chronology: Rockwell International (Electronics, North American Aircraft/Space Operations) and UAW, May 1941-September 1977*, BLS Bulletin 1893 (1975).

On September 1, the union membership rejected the offer and authorized a strike unless agreement was reached by September 15, 1962. Further negotiations proved fruitless and the Federal Mediation and Conciliation Service was called on early in September to mediate the dispute.

On September 13, the President appointed the Boeing Aerospace Board to study selected issues and make recommendations by October 15. The parties agreed to extend the previous agreement until November 15. After receiving this extension, the Board then asked the President for a further extension of the reporting deadline to permit the National Labor Relations Board to conduct a nonbinding poll on the union security question in bargaining units in States where there was no "right-to-work" or similar legislation. A further extension of the contract to January 15, 1963, was agreed to by the parties.

Votes in the poll, held in December 1962, were 21,879 to 7,752 in favor of a union shop.

The Board reported on January 5, 1963. Economic recommendations included general wage increases of 16 to 26 cents an hour over a 3-year period; allocation of an average increase of 2 cents a man-hour per year to narrow intraindustry wage differentials; a cost-of-living escalator clause providing quarterly reviews; acceptance by the union of the company's offer regarding group insurance and pension plans; and company payment of an additional 2 cents a man-hour into the vacation-sick leave-severance pay fund. The Board also suggested greater emphasis on seniority in the performance analysis system and retention of the existing rights-of-management clause, and offered three options, each providing additional union security. One of these provided that the maintenance-of-membership clause be continued and new employees be required to join the union after 30 days on the job, but be permitted to withdraw 60 days thereafter, during a 7-day period, by expressing that desire in a letter to the union. This option was rejected by the company.

Still unable to obtain an acceptable agreement, the union set a strike deadline for January 25, 1963. When a strike appeared imminent, the President requested and the Federal court, under the authority of the National Emergency provision of the Taft-Hartley Act, issued an injunction forbidding the work stoppage. The 80-day period ended on April 15, 1963, and a strike was scheduled for that date. A few hours before the deadline, a tentative agreement was negotiated.

The proposed agreement was accepted by employees in the Washington plants, but heavy opposition from employees at other Boeing locations, especially to the proposal regarding performance analysis, resulted in

rejection by a narrow margin. Strike dates were set at various Boeing locations for the 5-day period through May 7, but the international union withdrew its authorization.

After a request from the President and clarification by the company of the proposals regarding the performance analysis and other noneconomic issues, the agreement was voted on once more on May 10, 1963, and was accepted.

The new agreement provided general wage increases totaling 22 to 32 cents an hour over a 3-year period starting September 16, 1962; annual cost-of-living reviews (the first such provision in a Boeing-IAM agreement); company payment of an increase in premiums for the group health and welfare and life insurance plans and adoption of a major medical expense plan which extended benefits for up to 2 years for employees who had exhausted their basic hospital-medical-surgical benefits; and a liberalized method of computing retirement benefits.

The performance analysis system² was changed to give greater security to employees with seniority.

The agreement also provided for the reestablishment of a joint wage redetermination committee to work out job reclassifications and reevaluations to cost the equivalent of a 4-cent general increase in basic wage rates for all workers, effective November 1963. The reclassifications and reevaluations were to be made effective in November 1963 if the study was not completed by that time.

After 10 months of study, the disposition of the 4 cents an hour allocated for job reclassification was agreed to on March 3, 1964. These reclassifications, made effective on November 15, 1963, increased the basic hourly rates of pay of approximately 11,400 workers in the company's plants by 12 to 42 cents and averaged 13.5 cents for these workers. A total of 248 job titles affecting 8,200 employees were upgraded in the

² Boeing's system ranked employees in performance groups according to the supervisor's ratings of their performance and seniority. These ratings were used for determining employees to be laid off, downgraded, recalled, or promoted.

Under the previous agreement, an employee was classed in 1 of 5 groups based on the number of points (maximum 102-135=Group 1) received from the supervisor's rating and his seniority (maximum of 15 points for 25 years or more of service).

The new agreement reduced the number of groups to four and gave added emphasis to seniority. Under the new arrangement, only workers with less than 10 years of seniority could be in the lowest grade (4), those with 10 years or more of seniority were to be considered as in group 3 and those with 20 years or more as in group 2 for purposes of downgrading, layoff, and recall.

Washington plants, and a new labor grade was established at the top of the schedule.

The critical maintenance-of-membership clause was continued for all employees. In addition, newly hired workers who did not become members of the union within 30 days of their hiring date could, by giving written notice to the union and company within the following 10 days, choose not to join. Unless such notice was given, the employee was required to join the union within the succeeding 20 days and to continue membership under the maintenance-of-membership clause.

September 1965–October 1968

The contract between the IAM and The Boeing Co. was scheduled to expire in September 1965. Four months prior to this, the union convened a coordinating committee of representatives from each of the company's plants for which it had been certified as the collective bargaining agent to consider proposals for new and improved benefits. The program drafted by the committee dealt with a substantial proportion of the contract's economic provisions. Particular attention also was devoted to two noneconomic issues; the union shop and the performance analysis system.

The committee's bargaining goals included an unspecified wage increase, with incorporation of the existing cost-of-living allowance. Hourly earnings would be increased further by a reduction in the workweek to 35 hours, without a decrease in weekly earnings. The committee's proposal would provide double time for all overtime work, 2 additional paid holidays, and improved insurance, health and welfare, and retirement benefits.

These goals were reinforced by the adoption of similar aerospace industry negotiating guideposts at a joint IAM-UAW conference in June.

Negotiations opened on July 15 with the presentation of the union's demands and were recessed immediately until August 9 to give Boeing Co. time to analyze the proposals. When negotiations resumed, the company asked for clarification of some of the union's demands. Union negotiators emphasized noneconomic demands in the weeks that followed. During the last week of August, the company offered a 3-year contract with 8 cents in wage increases each year, 1 additional paid holiday, and improved insurance, health and welfare, and pension benefits. This offer was rejected by the union membership because of dissatisfaction with union and job security clauses, and a failure to provide substantial changes in the existing performance analysis rating system.

Continued negotiations resulted in a second offer by the company, which was rejected 2 days before the

contract was to expire. The company's revised offer provided for the inclusion of an 8 cents cost-of-living allowance into the base wage rates and substantial improvements in other economic benefits. While the union indicated that the offer did not meet the 50-cent-an-hour pattern established at other aerospace companies, dissatisfaction over the performance analysis issue and lack of progress in gaining greater union security were given as major reasons for rejecting it. A third issue of importance to the union was the omission in the company's proposal of substantial improvements in dependent health insurance coverage.

As an alternative to a strike, the union proposed that performance analysis, union security, and improved health insurance coverage for dependents be submitted to final and binding arbitration. When the company rejected that proposal, negotiations were halted and a strike was called for midnight September 15, the expiration date of the contract. The nationwide strike of over 34,000 Boeing employees curtailed operations at all company facilities except one division, where employees were represented by another union.

Two days after the strike began, the parties, at the request of Federal mediators, agreed to resume negotiations on September 20. On October 4, after 15 days of intensive bargaining, the parties reached a tentative agreement. Union members then ratified the agreement on October 4, ending the 19-day strike.

Economic improvements included wage increases of 8 cents in each year of the 3-year contract, inequity adjustments in each year, and cost-of-living adjustments on a quarterly rather than an annual basis. Good Friday was added as a paid holiday, and a financial security plan was established to replace the sick leave reserve account in the vacation-sick leave plan.

The health insurance plan was improved by increasing benefits for hospital room and board and outpatient medical care, and by the addition of immediate treatment benefits for sudden illness.

Pension benefits were increased to \$4.25 per month for future service and to \$3.20 per month for plan members who retired prior to June 1963. A voluntary contributory savings plan was established to provide savings, severance, and retirement benefits.

The parties agreed to continue negotiations on performance analysis, with the union retaining the right to strike in April 1966 if an acceptable alternative was not agreed to. Agreement on a new system, which was ratified by the union April 27, 1966, gave greater emphasis to seniority in layoff and recall of employees with 3 years or more of service and made contended violations of certain provisions subject to the grievance procedure.

The contract was to remain in effect until October 2, 1968, with no provision for reopening.

October 1968–October 1971

Representatives of the Machinists (IAM) and the Auto Workers (UAW) met in Los Angeles on February 27, 1968 to determine a bargaining program for the upcoming negotiations with the aerospace industry. The 1-day session was preceded by separate meetings of each union. An important influence on the formulation of the unions' goals was the recent settlements between the UAW and major auto producers. Delegates to the convention approved a set of general goals which included substantial wage increases; an improved escalator clause; improvements in pensions and in the health plan; greater income security through adoption of a Supplemental Unemployment Benefit plan; an extended disability benefits plan; additional paid holidays; liberalized vacations and a vacation bonus; improved shift differentials; and the addition of a tuition refund program.

In an effort to give The Boeing Co. time to evaluate the substantial number of union proposals, the IAM requested an early negotiation date. Consequently, the two parties met on May 1, some 90 days before formal bargaining had been scheduled to begin. After a month-long adjournment, the parties reconvened in June when the company asked for clarification of points in the May 1 proposal.

Informal talks continued until mid-July when the IAM settled with Lockheed-California Co., setting a pattern for the industry.³ The Boeing accord, which came 2 months later on September 29, covered over 48,000 workers and closely paralleled the Lockheed pact.

The 3-year Boeing contract stipulated general wage increases of 25.5 to 45.5 cents an hour in the first year and 3-percent increases in both the second and third years. The previous 9-cent-an-hour cost-of-living allowance was incorporated into base rates and a revised cost-of-living clause was adopted, providing annual instead of quarterly adjustments. The new clause called for allowances of 1 cent for each 0.4-point increase in the average of the BLS Consumer Price Indexes (1957-59=100) for June, July, and August in the year of adjustment over the average of Indexes for the same 3 months of 1968. It also provided for a minimum allowance of 3 and a maximum of 8 cents an hour for the first adjustment (in 1969) and a minimum of 6 and

maximum of 16 cents in the total allowance in 1970. Also, the lowest labor grade was eliminated and the number of job classifications was reduced substantially.

Other contract improvements included increased shift premiums and instructors' pay, a 10th paid holiday, and an increase in the number of vacation hours that could be accumulated during a year.

Effective December 1, 1968, maximum life and accidental death and dismemberment insurance benefits were increased to \$10,000 and \$6,000, respectively. The major medical lifetime maximum was increased to \$15,000. Hospital room and board coverage for any continuous period of disability was extended to 365 days, and the maximum daily room and board benefit was increased to \$46 in 1968, \$48 in 1969, and \$50 in 1970. Obstetrical benefits were expanded to provide fully paid coverage for ectopic pregnancy and miscarriage or therapeutic abortion while hospitalized, and the maximums on payments were increased to \$200 for normal delivery and \$300 for Caesarean. Company contributions for dependent coverage under the hospital-surgical-medical program also were increased. A dental benefits program was to be established by diverting the first 3 cents of cost-of-living adjustments (effective September 26, 1969) to a dental fund.

Improvements in the pension plan, effective January 1, 1969, included normal retirement at age 62 with no actuarial reduction; elimination of the age requirement (30) for accruing service credits; an increase in the normal monthly benefit to \$5.75 for each year of service commencing after January 1, 1969; an increase in the monthly pension of \$1 per year of past service for employees who had been on the payroll on January 1, 1969; and a "1968 Benefit Addition" for those retired before January 1, 1969, of \$1 per month per year of credited service accrued after age 30 and 3 years of service, subject to the actuarial or joint and survivor option reductions applicable at the time of retirement. The new normal benefit rate also was to be used in determining minimum monthly pensions—employees retiring after January 1, 1969, were to receive the greater of \$5.75 times their years of service or the existing flat \$50.

Also agreed upon, was the establishment of a new system for promoting, surplus, downgrading, and recalling employees called Manpower Control which gave added emphasis to seniority. The contract was scheduled to expire October 1, 1971.

October 1971–October 1974

Negotiations in 1971 between The Boeing Co. and the IAM opened on August 3 with the presentation of

³For terms of that settlement, see *Current Wage Developments*, August 1968, pp. 27-28.

union proposals. The proposals were aimed at achieving a settlement similar to those reached in the auto industry,⁴ including a cost-of-living "catch-up" increase and, in addition, the establishment of prescription drug and survivor's income programs. The negotiators then recessed to allow the company to study the proposals, with day-to-day bargaining scheduled to begin in late August.

On August 15, President Nixon acted under the Economic Stabilization Act of 1971 to impose a general wage-price-rent freeze through November 13, 1971. Because of uncertainty over what would come after the freeze, the company agreed to a union request to extend the contract to November 15 (it was to have expired on October 1). Day-to-day bargaining during the freeze focused on noneconomic issues.

The establishment of a Pay Board (part of Phase II of the Economic Stabilization Program) to review wage and some benefit increases followed the freeze (Phase I) and provided a more flexible form of governmental controls. On November 15, the IAM and Boeing agreed to another contract extension with full-scale bargaining to start on December 6. In the interim, the parties were to seek guidelines from the government for bargaining. The Board established annual pay increase guidelines of 5.5 percent on November 8.

On December 1, North American Rockwell Corp. and the Auto Workers (UAW) came to terms on a 3-year pact which was expected to set the industry pattern.⁵ Several days later, a similar pact was agreed upon by the Lockheed Aircraft Corp. and the IAM. Under both pacts, workers would receive "catch-up" increases equal to the amount generated by formula in the escalator clause over and above the last contractual payment. The previous UAW aerospace pacts with North American and other concerns contained "overage" letters which specifically provided for such increases to be paid under the 1971 settlements. At Lockheed, in a letter dated July 19, 1971, the parties had agreed to match any catchup increases that UAW workers received. Workers at these two companies also were to receive additional first-year wage hikes negotiated under the new pacts. The pacts also revised the escalator clauses to provide "no-ceiling" cost-of-living adjustments.

A similar agreement reached at Boeing on December 12, 1971, was made effective December 13,

and provided first-year increases ranging from 45.5 to 58 cents an hour retroactive to November 16, 1971, which included a 34-cent "catch-up" cost-of-living increase. It also provided two deferred increases which ranged from 11.5 to 17 cents and from 11.5 to 17.5 cents on October 2, of 1972 and 1973, respectively. The 13-cent cost-of-living allowance paid as such under the previous agreement was incorporated into base rates (a total of 16 cents was generated by the formula; the first 3 cents was diverted to pay for the dental plan installed during the prior contract year). The provision for annual cost-of-living adjustments was continued but without the minimum and maximum limits on the amounts.

Paid holidays were to be rearranged to give employees unbroken time off between Christmas and New Year's Day. This required an uneven distribution of holidays per contract year, depending on when in the week Christmas and New Year's period holidays fell. A total of 34 holidays would be paid for subsequent to October 1, 1971 (this figure included 2 holidays that would have been provided under the new contract had there been no delay in settlement). A premium of 20 cents an hour was established for employees assigned to work a nonregular workweek, and instructors' pay was ended.

A bereavement pay clause was established which provided for 3 days' paid leave for a death in the immediate family. Jury-duty benefits were expanded to include employees subpoenaed as witnesses in Federal or State courts, and the deduction of court payments from company payments was ended.

Health and insurance benefits were improved by increasing the accidental death and dismemberment maximum benefit to \$10,000; the major medical maximum to \$20,000; the hospital room and board maximum in 3 steps to \$70 a day in 1974; the ambulance allowance in 2 steps to \$35 for one trip and \$70 for a single period of disability in 1974. Also increased were the sickness and accident allowances for both occupational and nonoccupational disability, dental, and maternity allowances, and the diagnostic X-ray and laboratory services benefit maximum.

A Survivor Income Benefits Plan was established effective January 1, 1973, which provided to qualified survivors a transition benefit of \$150 per month for up to a period of 24 months; the plan also provided a bridge benefit of \$150 per month, to be paid after expiration of the transition benefit to eligible spouses who were at least 50 years of age at the time of the employee's death. The bridge benefit would cease when the spouse died, remarried, attained age 62 or became eligible for full widow's or widower's insurance benefits under the Social Security Act.

⁴See *Wage Chronology: Ford Motor Company, June 1941–September 1973* (BLS Bulletin 1787) for terms of the Ford settlement which set the pattern for the auto industry, including the "overage" (catch-up) increase.

⁵For terms of the North American settlement, see *Current Wage Developments*, February 1972, pp. 7-8.

Pension plan improvements increased the basic monthly benefit to \$7 in 1972 and to \$8 in 1974 for each year of credited service for employees retiring on or after January 1, 1972 and January 1, 1974, respectively; added \$1 to the basic monthly benefit rate for those who retired prior to January 1, 1972 (subject to any actuarial adjustments which applied when the employee retired); and established a disability pension equal to the employee's accrued basic entitlement.

Following the December 14 ratification of the settlement, the economic aspects of the pact were submitted for approval by the Pay Board set up under Phase II of the Federal economic stabilization program. The UAW-North American Rockwell pact, reached earlier, was the first to be submitted for Pay Board approval and provided for first-year increases which included an "overage" or "catch-up" amount of 34 cents. The UAW argued that the first-year hike did not exceed the Board's 5.5-percent guidelines since the 34 cents was provided under terms of an "overage" letter in the 1968 pact and therefore was not part of the first-year increase under the 1971 agreement; it also held that the pact was in "tandem" with earlier auto industry settlements in which workers had received overage amounts. Settlements deemed to follow either an inter- or intra-industry pattern historically ("tandem" or "me-too" contracts) were allowable under the Board's guidelines. The Board, however, deferred a ruling on the North American Rockwell pact until it could consider other aerospace settlements reached shortly after the North American Rockwell pact--the UAW-McDonnell Douglas Corp. settlement and the IAM settlements with McDonnell Douglas Corp., The Boeing Co., Lockheed Aircraft Corp., LTV Aerospace Co., and the United Aircraft Corp. These pacts, except at United Aircraft, also incorporated catch-up increases of 34 cents (35 cents at LTV Aerospace Co.), although the previous IAM pacts did not contain the specific language to provide such increases, as did the previous UAW pacts. However, the IAM maintained that catch-up amounts had been implied in its prior pacts and, in the case of Lockheed, the letter of agreement between IAM and Lockheed (that the company would match any catch-up money negotiated by the UAW) was reached prior to establishment of the Pay Board and therefore outside of the Board's jurisdiction. The IAM also held that the tandem relationship between auto settlements and among aerospace firms was applicable to its aerospace pacts.

On January 5, 1972, the Board ruled the first-year wage hikes in the aerospace settlements to be in excess of its guidelines and rejected the pacts.⁶ The Board later decided on January 13 to allow the catch-up amounts in the first year if the parties would defer the remaining

first-year amounts to the effective date of the pacts' scheduled second-year wage increases.

At Boeing, this meant that workers would receive an average first-year increase of 34 cents an hour ranging from 29 to 41.5 cents, and second-year hikes of 11.5 to 17 cents plus the flat 16.5 cents deferred from the first year.

In the first legal challenge to a Pay Board ruling, the UAW on February 7, 1972, filed suit in a Federal district court to have the Board's ruling overturned. The UAW asserted that the catch-up increases resulted from terms of a previous agreement (i.e., provided under the 1968 "overage" letter and therefore not under the Board's control; that the companies had raised prices in anticipation of the wage hikes; that the settlements were in tandem with the auto pacts and that the Board had acted capriciously in setting a 6-month time limit between tandem settlements (i.e., the auto pacts were reached more than 6 months before those in aerospace); larger settlements had been allowed in other industries; and also that due process had been denied because formal open hearings were not held.

The IAM also filed a similar suit against the ruling arguing that the letter of agreement between it and Lockheed was a valid and binding document entered into before establishment of the Pay Board, and therefore not subject to its approval; catch-up increases were implied in its prior contracts; and, that its aerospace pacts were tandem agreements.

In mid-1972, the Federal district court held that, as to the companies other than Boeing and two units of McDonnell Douglas, the overage letters were binding documents entered into before August 15, 1971, and were therefore outside the effective period of wage control.

As to Boeing, the court held that there was no contract (overage letter) executed before August 15, 1971. Regarding companies other than Boeing and the two McDonnell Douglas units, the court remanded the cases to the Pay Board for reconsideration. There was no remand for the Boeing case because of the court's holding that there was no contract (overage letter).

The lower court findings were then appealed by the Pay Board to the Temporary Emergency Court of Appeals (which was established to hear such cases), on October 2, 1972, with the Board contending that the UAW and IAM-Lockheed letters lacked the specific language to set up any back payments, and that they were neither contracts nor collective bargaining agree-

⁶The United Aircraft Corp. pact was approved, however, as it provided for a first-year wage increase of 8 percent with no provision for a catch-up increase. The 1968 agreement did not contain the "overage" clause.

ments. On June 21, 1973, the Temporary Emergency Court of Appeals upheld the lower court findings (including the finding that there was no Boeing overage letter) and remanded the pay issue to the Phase III Cost of Living Council, which succeeded the Pay Board (and Price Commission) for its consideration. The Council then appointed a three-member Aerospace Special Panel to make recommendations after hearing arguments from all of the parties which had overage letters. Such hearings were held October 30-31.

Adopting recommendations of the Panel, the Cost of Living Council ruled, on December 12, 1973, that workers at the five aerospace companies would be paid the amount in quarterly installments which they would have received had the Pay Board not deferred part of the increases payable in the first year to the second year. The Panel's recommendations included Boeing, despite the fact that the Pay Board resolution and order of January 13, 1972, was not disturbed by the Federal courts. The basis for the inclusion of Boeing was the "tandem" relationship the Panel found to exist between Boeing and the other aerospace companies—Lockheed, McDonnell Douglas, LTV Aerospace, and North American. The Cost of Living Council's December 12 decision and order as to Boeing was based on this "tandem" relationship finding. The total average payment for all workers at all the aerospace companies was \$353. At Boeing, workers would receive 16.5 cents for each hour actually worked, plus overtime premium between November 16, 1971 and October 2, 1972. Workers at some of the companies, however, were to have their back pay calculated on the basis of only 40 hours per week with no provision for premium pay or for time spent on holidays or vacation. The quarterly installments at Boeing would begin in March 1974. The Council further ruled that workers who had quit or were fired from their jobs were ineligible for the quarterly payments. Workers who were laid off had to be located within 60 days of the ruling to be eligible.

The Boeing Co. then sought clarification of the order since the Federal courts did not disturb the original January 13 Pay Board ruling for Boeing. On January 25, the Federal district court determined that the Cost of Living Council's December 12 ruling was consistent with the Court's mid-1972 ruling as to Boeing. This decision cleared the way for Boeing to make the back payments. The IAM, dissatisfied with the order, petitioned the Council to reconsider its decision regarding the computation of and eligibility for the back payments.

The Council revised its ruling in early February 1974 to allow workers at all of the affected companies to receive back payments based on actual hours worked including overtime premium pay.

The 1971 Boeing contract covered approximately 18,000 workers in primary facilities in Washington, Kansas, and Florida and various remote facilities. About 15,000 of these workers were in Washington plants. The pact was scheduled to remain in effect until October 1, 1974.

October 1974—October 1977

The first settlement in the 1974 round of collective bargaining in the aerospace industry was reached on September 30, 1974, when the IAM and Boeing tentatively agreed to a 3-year master contract covering 28,900 workers. About 20,100 were in Washington plants. It was ratified by the union membership the following day. The pact was among the first of major collective bargaining agreements to be concluded following the April 30 expiration of governmental restraints on wages.

Negotiations began on August 1 with presentation of key union demands, which included general wage increases of at least 10, 3, and 3 percent in the first, second, and third years of the contract, respectively, plus cost-of-living adjustments based on an improved escalator formula providing "no-cap" quarterly adjustments, double time pay for overtime work, additional holidays, and more time off for bereavement. Pensions had been termed a "very hot issue" by the president of the IAM, largely because of an increased proportion of high-seniority workers caused by a decline in aerospace business in the late 1960's which resulted in layoffs and reduced hiring of younger workers. The union proposed that the basic benefit rate be increased to \$18 (from \$8) and elimination of the 3-year waiting period before credited service could be accumulated.

The settlement called for an initial wage increase on October 2, 1974, ranging from 50 to 73.5 cents an hour, depending on the employee's labor grade, 14 to 21 cents on October 2, 1975, and 15 to 22 cents on October 2, 1976. Additional increases were provided to about 12 percent of the company's Washington workers as a result of upgrading. The 33-cent accumulated cost-of-living allowance was incorporated into base rates, and the escalator clause was revised to provide quarterly adjustments of 1 cent for each 0.3-point change in the 1967=100 BLS Consumer Price Index instead of for each 0.4-point change in the 1957-59=100 index. The rate progression schedule for assigned employees was revised to reduce the time required to reach the established rate for the top three labor grades. Shift premium pay was increased, as was the premium for work on a nonregular workweek.

Christmas period holidays were scheduled to provide

a total of 22 such holidays over the term of the agreement compared with 19 under the 1971 contract. The pact maintained the existing 5 core holidays provided each year outside the Christmas period. The agreement allowed employees to carry over vacation credits into the next year and expanded the definition of immediate family for bereavement pay purposes.

Insurance improvements under the basic plan included coverage for well-baby care, hospital expense coverage for urgent and serious dental problems, and increases in the maximums for hospital room and board (in two stages), as well as dental and vision care. A prescription drug plan was established for employees and dependents. Alcoholic treatment was provided for under the major medical plan. The company also agreed to pay the full cost of dependents' medical, dental, and prescription drug coverage.

The basic monthly pension benefit was increased for those retiring in 1975 or later to \$9 per year of credited

service before 1975, and \$12 per year of credited service after 1974. For employees at work on or after January 1, 1976, their service for pension purposes was to be credited after the first year of their employment instead of after the third year. Under the voluntary savings plan, an employee would be allowed to contribute up to 8 percent of his compensation (including retroactive wage adjustments). A modified union shop was established which required new employees to join the union or pay an equivalent agency fee within 30 days of start of employment; new employees were to have a 10-day period at the end of the first year of continuous employment in which to resign either union membership or agency fee status.

The contract was scheduled to remain in effect until midnight of October 3, 1977. The following tables update the wage chronology for The Boeing Co. and the IAM through the expiration date of the 1974 agreement, except for possible cost-of-living adjustments.

Table 1. General wage changes¹

Effective date	Provision	Applications, exceptions, and other related matters
July 1, 1936 (agreement dated June 26, 1936).	See footnote 2.	
July 1, 1937 (agreement dated July 2, 1937).	5 to 22.5 cents an hour increase, averaging 16 cents.	Minimum starting rate increased 22.5 cents an hour to 62.5 cents.
Oct. 17, 1938 (agreement dated Oct. 28, 1938).	.....	5 cents an hour increase to 450 journeymen and employees on special ratings.
Aug. 1, 1940 (agreement dated Sept. 5, 1940).	0 to 10 cents an hour increase.	No increase in starting rate.
July 1, 1941 (arbitration award of Aug. 9, 1941).	0 to 8 cents an hour increase.	No increase in starting rate.
Mar. 3, 1943 (National War Labor Board directive order of same date).	4.5 cents an hour increase.	Order recommended that parties consider establishment of an occupational wage structure similar to that established in the Southern California airframe industry.
Sept. 4, 1943 (approved by NWLB directive order of same date).	4.5 to 29.5 cents an hour increase.	Increases resulted from establishment of a 10-grade occupational wage rate structure, negotiated by parties and approved by Director of Economic Stabilization, into which all occupations were to be classified. Employees continuously on payroll since Mar. 3, 1943, received \$78 lump-sum payment in lieu of pay retroactive to that date; others received \$3 for each week worked between that date and date of order. Beginners without previous experience placed in labor grade 10.
Feb. 1, 1946 (agreement dated Mar. 16, 1946).	17.5 to 20 cents an hour increase, averaging about 18 cents.	Effective Mar. 16, 1946, rate for beginners (without previous experience) increased 7.5 cents, to 90 cents an hour, and removed from labor grade 10 until top of progression was reached—90 days.
Sept. 10, 1948 ³ (end of strike, no formal agreement signed).	15 cents an hour increase.	
Nov. 1, 1950 (company letter dated Oct. 30, 1950).	6-percent increase ranging from 9 to 12 cents an hour and averaging about 10 cents.	Increases adjusted to nearest full cent.
May 22, 1951 (agreement dated June 22, 1951; approved by Wage Stabilization Board on Sept. 15, 1951).	9 to 28 cents an hour increase, averaging about 12 cents.	Maximum increase resulted from addition of one labor grade at top of wage structure.
June 22, 1952 (amendment dated July 31, 1951).	5 cents an hour increase.	
June 22, 1953 (agreement dated July 31, 1953).	6 cents an hour increase.	
June 22, 1954 (agreement dated July 19, 1954).	4 to 6.5 cents an hour increase, averaging about 5 cents.	
June 22, 1955 (agreement dated July 22, 1955).	4.5 to 7.5 cents an hour increase, averaging about 6 cents.	
May 22, 1956 (agreement dated June 8, 1956).	5-percent increase ranging from 7.5 to 13 cents, averaging about 11 cents. ⁴	Additional 7 cents an hour increase effective May 22, 1957.
May 22, 1957 (agreement dated June 8, 1956).	7 cents an hour increase.	Deferred increase.
May 22, 1958 (agreement dated July 7, 1958).	16 to 20 cents an hour increase, averaging about 16 cents.	Additional 3-percent increase effective May 22, 1959.
May 22, 1959 (agreement dated July 7, 1958).	3-percent increase, ranging from 5.5 to 9 cents an hour and averaging about 7 cents.	Deferred increase.
Apr. 23, 1960 (agreement dated Aug. 11, 1960).	5.5 to 9.5 cents an hour increase, averaging about 7 cents.	Additional 4.5 to 8 cents an hour increase effective Aug. 11, 1961.

See footnotes at end of table.

Table 1. General wage changes¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Aug. 11, 1961 (agreement dated Aug. 11, 1960). Sept. 16, 1962 (agreement dated May 16, 1963).	4.5 to 8 cents an hour increase, averaging about 6 cents. 11 to 14 cents an hour increase, averaging about 12 cents.	Deferred increase. Agreement also provided: (1) deferred increases of 5.5 to 9 cents an hour effective Sept. 16, 1963, and 1964; (2) a cost-of-living escalator clause providing for annual adjustments on Sept. 16 of 1963, 1964, and 1965. Allowance to be 1 cent an hour for each 0.4-point change in the Bureau of Labor Statistics Consumer Price Index (1957-59=100), from April 1963 to the Aug. immediately preceding the review date. Maximum increase in allowance to be 3 cents in any year. Wage rates not to be reduced below their levels at the 106.2 index value; ⁵ and (3) a joint wage redetermination committee to work out job reclassifications and reevaluations to be effective in November 1963 and to cost the equivalent of a 4-cent across-the-board increase. ⁶
Sept. 16, 1963 (agreement of above date). Sept. 16, 1963. Nov. 15, 1963 (agreement dated Mar. 3, 1964). Sept. 16, 1964. Sept. 16, 1964 (agreement dated May 16, 1963).	5.5 to 9 cents an hour increase, averaging about 7 cents. 2 cents an hour increase. 4 cents an hour average increase. 3 cents an hour increase. 5.5 to 9 cents an hour increase, averaging about 7.5 cents an hour.	Deferred increase. Annual adjustment of cost-of-living allowance. Joint wage redetermination study upgraded 248 job titles and 8,000 employees in company's Washington plants. ⁷ Annual adjustment of cost-of-living allowance. Deferred increase.
Sept. 16, 1965. Oct. 2, 1965 (agreement of same date).	3 cents an hour increase. 8 cents an hour increase.	Annual adjustment of cost-of-living allowance. Agreement also provided: (1) deferred increases of 8 cents an hour effective Oct. 2, 1966, and 1967; (2) additional increase of 5 cents an hour to the highest (B) labor grade; (3) continuation of the joint wage redetermination committee to develop job reclassifications and reevaluations to cost the equivalent of 1 cent an hour for each employee on the active payroll in each year of the agreement. Should the committee not use all funds available in any year, the remainder was to be used to increase the hourly rate of pay of employees in all or specified labor grades by 0.5 cents an hour; any remaining funds to be used to improve fringe benefits; and (4) incorporation of the 8 cents cost-of-living allowance in effect on Oct. 1, 1965, and revision of the cost-of-living escalator clause to provide quarterly adjustments of 1 cent an hour for each 0.4-point rise in the Bureau of Labor Statistics Consumer Price Index (1957-59=100) above 110.0, with a maximum increase of 3 cents in any contract year. ⁸
Jan. 7, 1966. Apr. 1, 1966.	1 cent an hour increase. 2 cents an hour increase.	Quarterly adjustment of cost-of-living allowance. Quarterly adjustment of cost-of-living allowance. Adjustment limited to 2 cents because contract set maximum limit.
July 8, 1966. Oct. 1, 1966.	No change. 3 cents an hour increase.	No quarterly adjustment of cost-of-living allowance. Quarterly adjustment of cost-of-living allowance. No further adjustment until Sept. 29, 1967.
Oct. 2, 1966 (agreement dated Oct. 2, 1965).	8 cents an hour increase.	Deferred increase.

See footnotes at end of table.

Table 1. General wage changes¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Sept. 29, 1967.	3 cents an hour increase.	Quarterly adjustment of cost-of-living allowance. No further adjustment allowable for remainder of 1965 contract due to 3-cent maximum per contract year.
Oct. 2, 1967 (agreement of Oct. 2, 1965).	8 cents an hour increase.	Deferred increase.
Oct. 2, 1968 (agreement of same date).	25.5 to 45.5 cents an hour increase, averaging about 29 cents. ^{9 10}	Agreement also: (1) Provided for deferred wage increases effective Oct. 2, 1969 and Oct. 2, 1970; (2) incorporated the existing 9-cent-an-hour cost-of-living allowance into base rates effective Oct. 2, 1968; (3) revised the cost-of-living escalator clause to provide allowances adjusted annually, instead of quarterly (on Sept. 26, 1969 and Sept. 25, 1970) of 1 cent for each 0.4-point increase in the average of the Bureau of Labor Statistics' Consumer Price Indexes for all cities (1957-59=100) for June, July, and August in the year of adjustment over the average of the Indexes for the same 3 months of 1968, with minimum and maximum allowances as follows—effective Sept. 26, 1969, minimum of 3 cents and maximum of 8 (the first 3 cents was to be diverted toward the cost of establishing a dental plan), and effective Sept. 25, 1970, minimum of 6 cents and maximum of 16 cents; ¹¹ and (4) provided additional increase of 13 cents for certain workers as result of eliminating lowest labor grade.
Sept. 26, 1969.	5 cents an hour increase.	Annual adjustment of cost-of-living allowance. (An additional 3 cents an hour was diverted toward cost of establishing a dental plan.) ¹¹
Oct. 2, 1969 (agreement of Oct. 2, 1968).	3-percent increase, ranging from 9 to 14 cents an hour and averaging about 11 cents. ¹⁰	Deferred increase.
Sept. 25, 1970.	8 cents an hour increase.	Annual adjustment of cost-of-living allowance. ¹¹
Oct. 2, 1970 (agreement of Oct. 2, 1968).	3-percent increase, ranging from 9.5 to 14 cents an hour and averaging about 11.5 cents. ¹⁰	Deferred increase.
Nov. 16, 1971 (agreement of Dec. 13, 1971).	29 to 41.5 cents an hour increase, averaging about 34 cents. ^{10 12}	Agreement also: (1) Provided for deferred wage increases effective Oct. 2, 1972 and Oct. 2, 1973; (2) incorporated the existing 13-cent-an-hour cost-of-living allowance into base rates effective Nov. 16, 1971; and (3) continued the cost-of-living escalator clause which was to provide allowances adjusted annually (on Sept. 22, 1972 and Sept. 21, 1973 without guarantees or maximums), of 1 cent for each 0.4-point increase in the average of the Bureau of Labor Statistics' Consumer Price Indexes for all cities (1957-59=100) for June, July, and August in the year of adjustment over the average of the Indexes for the same 3 months of 1971. ¹³
Sept. 22, 1972.	10 cents an hour increase.	Annual adjustment of cost-of-living allowance.
Oct. 2, 1972 (agreement of Dec. 13, 1971).	28 to 33.5 cents an hour increase, averaging about 30 cents. ^{10 14}	Deferred increase.
Sept. 21, 1973.	23 cents an hour increase.	Annual adjustment of cost-of-living allowance.
Oct. 2, 1973 (agreement of Dec. 13, 1971).	11.5 to 17.5 cents an hour increase, averaging about 13.5 cents. ¹⁰	Deferred increase.

See footnotes at end of table.

Table 1. General wage changes¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Oct. 2, 1974 (agreement of same date).	50 to 73.5 cents an hour increase, averaging about 58 cents. ^{1 0}	Agreement also: (1) Provided for deferred wage increases effective Oct. 2, 1975 and Oct. 2, 1976; (2) incorporated the existing 33-cent-an-hour cost-of-living allowance into base rates on Oct. 2, 1974; and (3) revised the cost-of-living escalator clause to provide adjustments beginning Jan. 2, 1975 and quarterly thereafter (through July 1977) of 1 cent for each 0.3-point change in 3-month average of the Bureau of Labor Statistics' Consumer Price Indexes for all cities (1967=100) for Sept., Oct., and Nov. 1974 (applicable to the Jan. 1975 adjustment) and consecutive 3-month averages thereafter over the 3-month average of the Indexes for June, July, and Aug. 1974 ^{1 5} ; and (4) provided additional increases through upgrading ranging from 20 to 32 cents an hour for about 1,800 workers.
Jan. 2, 1975.	15 cents an hour increase.	Quarterly adjustment of cost-of-living allowance.
Apr. 2, 1975.	11 cents an hour increase.	Quarterly adjustment of cost-of-living allowance.
July 2, 1975.	8 cents an hour increase.	Quarterly adjustment of cost-of-living allowance.
Oct. 2, 1975 (agreement of Oct. 2, 1974).	14 to 21 cents an hour increase, averaging about 17 cents. ^{1 0}	Deferred increase.
Jan. 2, 1976.	11 cents an hour increase. 9 cents an hour increase.	Quarterly adjustment of cost-of-living allowance. Quarterly adjustment of cost-of-living allowance.
Apr. 2, 1976.	.....	Possible adjustment of cost-of-living allowance based on Consumer Price Indexes for Dec. 1975, and Jan. and Feb. 1976. ^{1 5}
July 2, 1976.	.....	Possible adjustment of cost-of-living allowance based on Consumer Price Indexes for Mar., Apr., and May 1976. ^{1 5}
Oct. 2, 1976 (agreement of Oct. 2, 1974).	15 to 22 cents an hour increase, averaging about 17.5 cents. ^{1 0}	Deferred increase.
Jan. 2, 1977.	.....	Possible adjustment of cost-of-living allowance based on Consumer Price Indexes for June, July, and Aug. 1976. ^{1 5}
Apr. 2, 1977.	.....	Possible adjustment of cost-of-living allowance based on Consumer Price Indexes for Sept. Oct., and Nov. 1976. ^{1 5}
July 2, 1977.	.....	Possible adjustment of cost-of-living allowance based on Consumer Price Indexes for Dec. 1976, and Jan. and Feb. 1977. ^{1 5}
		Possible adjustment of cost-of-living allowance based on Consumer Price Indexes for Mar., Apr., and May 1977. ^{1 5}

¹ General wage changes are construed as upward or downward adjustments affecting a substantial number of workers at one time. Not included within the term are adjustments in individual rates (promotions, merit increases, etc.) and minor adjustments in wage structure (such as changes in individual job rates) that do not have an immediate and noticeable effect on the average wage level.

The wage changes listed were major adjustments in the general wage level made during the period covered. Because of fluctuation in earnings, changes in products and employment practices, the omission of nongeneral changes in rates, and other factors, the sum of the general changes listed will not necessarily coincide with the change in straight-time average hourly earnings over the period covered by the chronology.

² It was not possible to determine whether the wage rates established by this agreement represented a general wage change.

³ Effective date for employees who remained on strike; effective in May 1948, by unilateral company action, for employees who had returned to work.

⁴ In addition, minimum increases of 10 cents an hour for 1,400 employees, averaging 36 cents an hour for the group, resulted from upgrading under a job evaluation study that was conducted independently of the 1956 negotiations.

⁵The new agreement provided that the cost-of-living reviews to be effective on Sept. 16 of 1963, 1964, and 1965 be based on changes in the Bureau of Labor Statistics Consumer Price Index from the level of 106.2 (1957-59=100), to the August immediately preceding the review date as follows:

<i>Excess of index points over base level</i>	<i>Cost-of-living allowance (cents per hour)</i>
0.3 or less	None
0.4-0.7	1
0.8-1.1	2
1.2-1.5	3
1.6-1.9	4
2.0-2.3	5
2.4-2.7	6
2.8-3.1	7
3.2-3.5	8
3.6 and over	9

The cost-of-living allowance was to be added to the employee's straight-time hourly earnings and included in the base for computing overtime pay, third-shift bonus, vacation, holiday, sick leave, and reporting time payments.

⁶The agreement to reconstitute the wage redetermination committee, originally provided for in the 1960 agreement, was outlined in a letter dated Apr. 15, 1963, from the company to the union. This letter was incorporated in the May 16, 1963, agreement and stated that the amount to be spent per hour on job reclassifications and reevaluations was to be determined by multiplying by 4 cents the number of employees in the bargaining unit on the day the agreement was executed. The adjustments were to be put into effect as a unit within 6 months of the date the agreement was executed.

⁷A total of 465 job titles and 11,400 employees were upgraded in all plants.

⁸The new agreement provided for adjustments in the cost-of-living allowance effective on the following dates: Jan. 7, Apr. 1, July 8, Sept. 30, 1966; Jan. 6, Mar. 31, July 7, and Sept. 29, 1967; and Jan. 5, Mar. 29, and July 5, 1968. Adjustments were to be based on the changes in the BLS Consumer Price Index for November, February, May, and August, from the August 1965 base as follows:

<i>Index (1957-59=100)</i>	<i>Cost-of-living allowance (cents per hour)</i>
110.3 or less	None
110.4-110.7	1
110.8-111.1	2
111.2-111.5	3
111.6-111.9	4
112.0-112.3	5
112.4-112.7	6
112.8-113.1	7
113.2-113.5	8

The cost-of-living allowance was to be added to the employee's straight-time hourly earnings and included in the base for computing overtime pay, third-shift bonus, vacation, holiday, sick leave, and reporting time payments.

⁹Average includes effect of eliminating lowest labor grade.

¹⁰ See table 2c. for resulting wage rates.

¹¹Cost-of-living allowances effective Sept. 26, 1969, and Sept. 25, 1970, were to be based on the 3-month average Indexes for June, July, and August of 1969 and 1970, respectively, over the average of the index for the same 3 months in 1968 as follows:

<i>3-month average Consumer Price Index (1957-59=100)</i>	<i>Allowance (in cents)</i>
122.9 or less	3 (diverted to dental fund) ^a
123.0 to 123.3	1
123.4 to 123.7	2
123.8 to 124.1	3 ^b
124.2 to 124.5	4
124.6 to 124.9	5 ^c
125.0 to 125.3	6
125.4 to 125.7	7
125.8 to 126.1	8

<i>3-month average Consumer Price Index (1957-59=100)</i>	<i>Allowance (in cents)</i>
126.2 to 126.5	9
126.6 to 126.9	10
127.0 to 127.3	11
127.4 to 127.7	12
127.8 or more	13 ^d

^aMinimum (guaranteed) adjustment on Sept. 26, 1969, which was diverted to dental fund.

^bMinimum (guaranteed) allowance on Sept. 25, 1970 after diversion of 3 cents to dental fund.

^cMaximum allowance on Sept. 26, 1969, after diversion of the 3 cents to dental fund.

^dMaximum allowance on Sept. 25, 1970, after diversion of the 3 cents to dental fund.

The cost-of-living allowance was not to be added to an employee's base rate, but was used in calculating overtime, third-shift bonus, vacation, holiday, sick leave, and reporting time payments.

¹² Reflects a 16.5-cent reduction in negotiated increase by ruling of Pay Board of January 13, 1972. This amount was deferred to Oct. 2, 1972. The Cost of Living Council (successor to the Pay Board) as a result of court actions subsequently ordered that workers be paid in quarterly installments, the 16.5 cents for each hour worked, plus overtime premium, between Nov. 16, 1971 and Oct. 2, 1972.

¹³ Cost-of-living allowances effective Sept. 22, 1972, and Sept. 21, 1973, were to be based on the 3-month average indexes for June, July, and August of 1972 and 1973, respectively, over the average of the indexes for the same 3 months in 1971 as follows:

<i>3-month average Consumer Price Index (1957-59=100)</i>	<i>Allowance (in cents)</i>
141.9 or less	0
142.0 to 142.3	1
142.4 to 142.7	2
142.8 to 143.1	3
143.2 to 143.5	4
143.6 to 143.9	5
144.0 to 144.3	6
144.4 to 144.7	7
144.8 to 145.1	8
145.2 to 145.5	9
145.6 to 145.9	10
146.0 to 146.3	11
and so forth, with a 1-cent adjustment for each 0.4-point change in the average index.	

The cost-of-living allowance was not to be added to an employee's base rate, but was to be used in calculating overtime, third-shift bonus, vacation, holiday, sick leave, and reporting time payments.

¹⁴ Reflects negotiated increases of 11.5 to 17 cents, plus the 16.5 cents originally cut by the Pay Board and deferred to Oct. 2, 1972.

¹⁵ Cost-of-living allowances effective Jan. 2, 1975, and quarterly thereafter were to be based on the 3-month average of the Consumer Price Index for Sept., Oct., and Nov. 1974 (applicable to the Jan. 2, 1975 adjustment) and consecutive 3-month averages thereafter as follows:

<i>3-month-average Consumer Price Index (1967=100)</i>	<i>Allowance (in cents)</i>
148.5 or less	0
148.6 to 148.8	1
148.9 to 149.1	2
149.2 to 149.4	3
149.5 to 149.7	4
149.8 to 150.0	5
150.1 to 150.3	6
150.4 to 150.6	7
and so forth, with a 1-cent adjustment for each 0.3-point change in the average index.	

The cost-of-living allowance was not to be added to an employee's base rate, but was to be used in calculating overtime, third-shift bonus, vacation, holiday, sick leave, and reporting time payments.

Table 2a. Basic hourly rates by labor classification, July 1, 1936–March 3, 1943

(Washington plants)

Classification	July 1, 1936		July 1, 1937		Aug. 1, 1940		July 1, 1941		Mar. 3, 1943	
	Mini- mum	Maxi- mum	Mini- mum	Maxi- mum	Mini- mum	Maxi- mum	Mini- mum	Maxi- mum	Mini- mum	Maxi- mum
Special ratings	\$0.90	\$1.00	\$1.05		\$1.15		\$1.23		\$1.275	
Journeyman . . . . .	.80	.85	\$0.90		\$0.95		1.05		1.13	
Aircraft mechanics: ¹										
Class 1 . . . . .	.70	.75	.80		.85		.93		.975	
Class 2 . . . . .	.60	.65	.70		.70		.78		.825	
Class 3 . . . . .	.50	.55	—		—		—		—	
Helpers	\$0.45		.65		.70		.78		.825	
Beginners ² . . . . .	.40		.625		.70		\$0.625		\$0.70	
					\$0.625	\$0.70	\$0.625	\$0.70	\$0.67	\$0.825

¹ Designated as production workers, class A and B, in 1937.

² Designated as junior helpers on probation and women fabric workers in 1936, probationary employees and laborers in 1937, starting wage in 1940 and 1941, and beginners rate in 1943.

Table 2b. Basic hourly rates¹ by labor grade, September 4, 1943–October 2, 1967

(Washington plants)

Labor grade	Sept. 4, 1943	Feb. 1, 1946	Sept. 10, 1948	Nov. 1, 1950	May 22, 1951	June 22, 1952	June 22, 1953	June 22, 1954	June 22, 1955	May 22, 1956	May 22, 1957
A ²	—	—	—	—	\$2.350	\$2.400	\$2.460	\$2.525	\$2.600	\$2.730	\$2.800
1	\$1.600	\$1.80	\$1.95	\$2.07	2.260	2.310	2.370	2.435	2.510	2.635	2.705
2	1.525	1.70	1.85	1.96	2.150	2.200	2.260	2.320	2.390	2.510	2.580
3	1.450	1.63	1.78	1.89	2.035	2.085	2.145	2.205	2.270	2.385	2.455
4	1.375	1.55	1.70	1.80	1.945	1.955	2.055	2.110	2.175	2.285	2.355
5	1.295	1.48	1.63	1.73	1.850	1.900	1.960	2.015	2.075	2.180	2.250
6	1.200	1.38	1.53	1.62	1.740	1.790	1.850	1.900	1.955	2.055	2.125
7	1.105	1.28	1.43	1.52	1.625	1.675	1.735	1.780	1.835	1.925	1.995
8	1.010	1.19	1.34	1.43	1.535	1.585	1.645	1.690	1.740	1.825	1.895
9 . . . . .	.920	1.10	1.25	1.35	1.430	1.480	1.540	1.580	1.625	1.705	1.775
10 ³ . . . . .	.825	1.00	1.15	1.24	1.330	1.380	1.440	1.480	1.525	1.600	1.670
		May 22, 1958	May 22, 1959	Apr. 23, 1960	Aug. 11, 1961	Sept. 16, 1962	Sept. 16, 1963	Sept. 16, 1964	Oct. 2, 1965 ⁵	Oct. 2, 1966	Oct. 2, 1967
B ⁴		—	—	—	—	—	—	\$3.685	⁶ \$3.895	\$3.975	\$4.055
A ²		\$3.000	\$3.090	\$3.185	\$3.265	\$3.405	\$3.495	3.585	3.745	3.825	3.905
1		2.895	2.980	3.070	3.145	3.285	3.370	3.455	3.615	3.695	3.775
2		2.765	2.845	2.935	3.005	3.140	3.225	3.305	3.465	3.545	3.625
3		2.630	2.710	2.790	2.855	2.985	3.065	3.145	3.305	3.385	3.465
4		2.520	2.595	2.675	2.740	2.870	2.945	3.020	3.180	3.260	3.340
5		2.410	2.480	2.555	2.615	2.740	2.810	2.880	3.040	3.120	3.200
6		2.285	2.355	2.425	2.480	2.600	2.670	2.740	2.900	2.980	3.060
7		2.155	2.220	2.285	2.340	2.460	2.525	2.590	2.750	2.830	2.910
8		2.055	2.115	2.180	2.230	2.345	2.405	2.465	2.625	2.705	2.785
9		1.935	1.995	2.055	2.100	2.215	2.275	2.335	2.495	2.575	2.655
10 ³		1.830	1.885	1.940	1.985	2.095	2.150	2.205	2.365	2.445	2.525

¹ Rates shown do not include cost-of-living escalator allowance until incorporated into base rates.

² Labor grade A established May 22, 1951, to cover some classifications previously in labor grade 1.

³ Effective Mar. 16, 1946, starting rate was 90 cents an hour with a 5-cent-an-hour progression each 45 days until the maximum was reached. Beginners were added to grade 10 in 1943 but were eliminated in 1946.

⁴ The agreement of Mar. 3, 1964, established labor grade B effective Nov. 15, 1963, with a base rate of \$3.595 an hour.

⁵ The Oct. 2, 1965, rates shown reflect incorporation of the 8-cent-an-hour cost-of-living allowance into the basic wage rates.

⁶ Labor grade B rate was increased an additional 5 cents per hour.

Table 2c. Basic hourly rates¹ by labor grade, October 2, 1968–October 2, 1976

(Washington plants)

Labor grade ²	Effective date								
	Oct. 2, 1968 ³	Oct. 2, 1969	Oct. 2, 1970	Nov. 16, 1971 ⁴	Oct. 2, 1972 ⁵	Oct. 2, 1973	Oct. 2, 1974 ⁶	Oct. 2, 1975	Oct. 2, 1976
11	\$4.60	\$4.74	\$4.88	\$5.425	\$5.76	\$5.935	\$7.00	\$7.21	\$7.43
10	4.40	4.53	4.665	5.19	5.515	5.68	6.68	6.88	7.09
9	4.20	4.325	4.455	4.965	5.285	5.445	6.43	6.62	6.82
8	4.03	4.15	4.275	4.775	5.09	5.245	6.22	6.41	6.60
7	3.86	3.975	4.095	4.58	4.89	5.035	5.98	6.16	6.34
6	3.725	3.835	3.95	4.425	4.73	4.87	5.80	5.97	6.15
5	3.575	3.68	3.79	4.255	4.555	4.69	5.60	5.77	5.94
4	3.425	3.53	3.635	4.085	4.38	4.51	5.41	5.57	5.74
3	3.255	3.355	3.455	3.895	4.18	4.305	5.17	5.33	5.49
2	3.13	3.225	3.32	3.75	4.035	4.155	5.01	5.16	5.31
1	3.00	3.09	3.185	3.605	3.885	4.00	4.83	4.97	5.12

¹ See appendix A for Rate Progression Schedule (Learner Progression Rate Schedule before 1974 agreement) for certain assigned employees.

² In the 1968 settlement the numerical designations of the labor grades were reversed so that labor grade 1 (formerly grade 9) became the lowest and grade 11 (formerly grade B) became the highest paid. The former grade 10 was deleted.

³ Rates include 9-cent-an-hour cost-of-living allowance incorporated into base rates on this date.

⁴ Rates include 13-cent-an-hour cost-of-living allowance incorporated into base rates on this date and reflect 16.5-cent-an-hour reduction in negotiated rates by action of the Pay Board on Jan. 13, 1972. The 16.5 cents was deferred to Oct. 2, 1972.

⁵ Rates reflect the 16.5 cents an hour which was disallowed in the 1st year and put off to the 2nd year in addition to the 11.5-to 17-cent-an-hour increase negotiated for this date.

⁶ Rates include 33-cent-an-hour cost-of-living allowance incorporated into base rates on this date.

Table 3a. Selected job classifications in labor grades, September 4, 1943–August 11, 1961

(Washington plants)

Labor grade	Selected job classifications
A ¹	Development men, carbide tools; layout men, machine shop; machinists, maintenance mechanic-special; patternmakers, A, wood; technicians, electronic mechanical, instrument development; tool and die makers, A.
1	Instrument makers, A; jig borers, A; operators, gray planer type mill, vertical boring mill 12'–18'; tryout men, deep draw dies—hydraulic and mechanical presses.
2	Carpenter—millwright, maintenance (special); heat treaters, A, steel; mechanics, A, experimental aircraft; mockup men, A; setup men, turret lathes; tool and die makers, B.
3	Die finishers, A; operators, A—drill press radial, grinder, lathe engine, lathe turret, milling machine, vertical boring mill; painters, maintenance-special; sheet-metal workers, A, maintenance; tool grinders, A; welders, A, maintenance; woodworkers, A, toolmaker.
4	Assemblers, A, precision bench; cranemen, overhead; material men, A; bench mechanics, A, steel weld; operators, A—brake, spindle and shaper; template makers, A, tubing; welders, gas and arc burner.
5	Assemblers-installers, A—electrical systems, general, structures; bench mechanics, A, sheet-metal; operators, A—drill press, punch press; operators, B—drill press radial, lathe engine, lathe turret, milling machine; painters, B, maintenance; riveters, A; welders, B, maintenance.
6	Die finishers, B; material men, B; operators, A—shear, spotweld; operators, B, drill press; tube benders, A.
7	Bench mechanics, B—sheet-metal, steel weld; mockup men, C; operators, sewing machine; painters, C, maintenance; riveters, B; tube benders, B.
8	Assemblers-installers, B—general, structures; die finishers, C; operators, B, spotweld; operators, C, milling machine; patternmakers, D, plaster; warehousemen; woodworkers, C, tool-maker.
9	Assemblers, C, instrument panel makeup; craters, C; laborers, heavy and/or outside; mechanics, C, bench, sheet-metal; operators, B, shear; operators, C, grinder; riveters, C.
10 ²	Assemblers-installers, C—electrical systems, general, structures; operators, D, punch press; riveters' assistants; upholsterers, C.

¹ Labor grade A established May 22, 1951, to cover some classifications previously in labor grade 1.

² Beginners were added to grade 10 in 1943 but were eliminated in 1946.

Table 3b. Selected job classifications in labor grades, September 16, 1964

(Washington plants)

Labor grade	Selected job classifications
B ¹	<u>Technicians, electronic mechanical, electronic maintenance facilities, research electro-mechanical A, experimental electronic senior, electronic pilotless aircraft A, electronic senior missile test base; inspectors, radar and electronic, A.</u>
A	Layout men, machine shop; machinists, maintenance mechanic-special; patternmakers, A, wood; technicians, instrument development; tool and die makers, A.
1	<u>Carpenter-millwright, maintenance (special); instrument makers, A; jig borers, A; setup men, turret lathes; tryout men, deep draw dies-hydraulic and mechanical presses.</u>
2	<u>Heat treaters, A, steel; mechanics, A, experimental aircraft; mockup men, A; operators, A-drill press radial, grinder, lathe engine, lathe turret, milling machine, vertical boring mill; sheet-metal workers, A, maintenance; tool grinders, A.</u>
3	<u>Assemblers, A, precision bench; die finishers, A; material men, A; operators, A, spindle shaper; painters, maintenance-special; welders, A, maintenance; woodworkers, A, toolmaker.</u>
4	Cranemen, overhead; bench mechanics, A, steel weld; <u>operators, A-drill press, punch press, template makers, A, tubing; welders, gas and arc burner.</u>
5	Assemblers-installers, A-electrical systems, general, structures; <u>die finishers, B; material men, B; bench mechanics, A, sheet-metal; operators, A, shear-spotweld; operators, B-drill press radial, lathe engine, lathe turret, milling machine; painters, B, maintenance; riveters, A; welders, B, maintenance.</u>
6	Operators, B, drill press; tube benders, A.
7	<u>Assemblers-installers, B-general, structures; die finishers, C; operators, sewing machine; operators, B, spotweld; operators, C, milling machine; painters, C, maintenance; patternmakers, D, plaster; riveters, B; tube benders, B; woodworkers, C, toolmaker.</u>
8	Operators, B, shear; warehousemen.
9	<u>Assemblers, C, instrument panel makeup; craters, C; laborers, heavy and/or outside; bench mechanics, C, sheet-metal; operators, C, grinder.</u>
10	Assemblers-installers, C-electrical systems, general, structures; operators, D, punch press; riveters' assistants; upholsterers, C.

¹ Labor grade B was established effective Nov. 15, 1963, to cover some job classifications previously in labor grade A.

NOTE: Underscored jobs are those that were upgraded as a result of the wage study settlement of Mar. 3, 1964. These reclassifications were made retroactive to Nov. 15, 1963.

Table 3c. Selected job classifications in labor grades, January 1, 1967

(Washington plants)

Labor grade	Selected job classifications
B	Technicians, electronic mechanical, electronic maintenance facilities, research electro-mechanical A, experimental electronic senior, electronic pilotless aircraft A, electronic senior missile test base; inspectors, radar and electronic, A; <u>patternmaker, wood and metal; tool and die maker, A.</u>
A	Layout men, machine shop; machinists, maintenance mechanic-special; pattern and model maker tooling; technicians, instrument development; tryout men, deep draw dies—hydraulic and mechanical presses.
1	Carpenter—millwright, maintenance (special); instrument makers, A; jig borers, A; setup men, turret lathes.
2	Heat treaters, A, steel; mockup men, A; operators, A—drill press radial, grinder, lathe engine, lathe turret, milling machine; sheet-metal workers, A, maintenance; tool grinders, A; <u>die finishers, A; painters, maintenance-special; welders, A; maintenance.</u>
3	Assemblers, A, precision bench; material men, A; operators, A, spindle shaper; woodworkers, A, toolmaker; welders, gas and arc burner.
4	Cranemen, overhead; bench mechanics, A, steel weld; operators, A—drill press, punch press; template makers, A, tubing; <u>assemblers—installers, A—electrical systems, general, structures; riveters, A; welders, B, maintenance.</u>
5	Die finishers, B; material men, B; bench mechanics, A, sheet-metal; operators, A, shear spotweld; operators, B—drill press radial, lathe engine, lathe turret, milling machine; painters, B, maintenance.
6	Operators, B, drill press; tube benders, A; <u>assemblers—installers, B—general, structures; riveters, B.</u>
7	Die finishers, C; operators, sewing machine; operators, B, spotweld; operators, C, milling machine; painters, C, maintenance; patternmakers, D, plaster; tube benders, B; woodworkers, D, toolmakers.
8	Operators, B, shear; warehousemen.
9	Craters, C; laborers, heavy and/or outside; bench mechanics, C, sheet-metal.
10	Assemblers—installers, C—electrical systems, general, structures; riveters' assistants; upholsterers, C.

NOTE: Underscored jobs are those that were upgraded by the joint wage redetermination committee as of Jan. 1, 1967.

Table 3d. Selected job classifications in labor grades, October 2, 1974

(Washington plants)

Labor grade	Selected job classifications
11	Technicians—electronic maintenance facilities, research electro-mechanical (A), experimental electronic (senior), electronic (senior) missile test base, electronic aircraft systems (senior), electronic (special), experimental electronic (senior), optical instrument; inspectors—radar and electronic (A), experimental electronics systems (A), preflight (A), tooling (A); patternmaker, wood and metal; tool and die maker (special) ¹ ; machinist, maintenance mechanic (special); layout man, machine shop; model maker (A).
10	Pattern and model maker tooling; development man, tooling (A); tryout men, deep draw dies-hydraulic and mechanical presses; aircraft and engine mechanic, field and hangar (A); die development and tryout man; gear machine setup and development man; inspector, wind tunnel models and research (A); jig builder (A); toolmaker, plaster and plastic (special).
9	Operators—boring machine (A), numerically controlled skin mill (A); technicians—research electro-mechanical (B), electronic aircraft systems (A), electronic (A), electronic (A) missile test base, experimental electronic (A); inspectors—machined parts (A), experimental electronic systems (B), preflight (B), radar and electronics (B); tool and die makers ² ; modelmaker (B); mechanic, automotive (A); mechanic, research (A); carpenter—millwright maintenance (special); instrument makers (A); machinist, maintenance (A); mechanic, maintenance (A).
8	Operators—drill press radial (A), grinder (A), lathe turret (A), lathe engine (A), milling machine (A), hammer (A), spotweld (special); inspectors—tooling (B), fabrication (A), mockup (A), wind tunnel models and research (B); sheetmetal workers, maintenance (A); tool grinders (A); die finisher (A); carpenter, maintenance (A); painters—sign, maintenance (A); woodworker toolmaker (A); welder; developer prover, mechanical (A); heat treater, steel (A); mechanic, experimental missile (A); aircraft and engine mechanic, field and hangar (B); jig builder (B); toolmaker, plaster and plastic (A); instrument makers (B).
7	Operators—spindle shapers (A), numerically controlled skin mill (B), induction heater, machine wood shop, roll (A), stretch press (A); technicians—experimental electronic (B), electronic (B) missile test base, research electro-mechanical (C), electronic aircraft systems (B); inspectors—radar and electronic (C), machined parts (B), experimental electronic systems (C); material man (A); assembler, precision bench (A); welder, gas and arc burner; welder, maintenance (B); mechanic, research (B); dispatcher, material handling; checker, first parts cutting; molder (A); plater, hard chrome.
6	Operators—arc and flame cutter, hydraulic and mechanical press (A), brake (A), hammer (B), motive equipment (A), drill press (A), punch press (A); inspectors—fabrication (B), mockup (B); assembler installers—electrical systems (A), general (A), structures (A); sheetmetal workers, maintenance (B); painter, maintenance (B); carpenter, maintenance (B); mechanic, experimental missile (B); maintenance parts man (A); polisher; tube bender (special); riveter (A); developer prover mechanical (B); heat treater, steel (B); upholsterer (A); mechanic, automotive (B); die finisher (B); woodworker toolmaker (B); mechanic, maintenance (B); jig builder (C); modelmaker (C); toolmaker, plaster and plastic (B); electrician, maintenance and installer.
5	Operators—drill press radial (B), shear (A), draw bench, plating tank (A), router, spotweld (A); inspector, microelectronics (A); assemblers—wire group (A), electronic equipment (A); material men (B); bench mechanic, sheet metal (A); clerk, inventory (A); storekeeper (A); material man, wood shop; timekeeper, general; attendants—tool storage (A), tool crib (special); molder (B).
4	Operators—drill press (B), motive equipment (B), brake (B), hydraulic and mechanical press (B), stretch press (B), punch press (B), roll (B), sand blast; assemblers—installers—electrical systems (B), general (B), structures (B); checker, part numbering; maintenance oiler; metal surface processor (A); riveter (B); tube benders (A); developer prover, mechanical (C); tool repairman (A); mechanic, experimental missile (C); maintenance parts man (B); assembler, precision bench (B).
3	Operators—shear (B), hammer (C), plating tank (B), router (hand), saw, sewing machine; assemblers—wire group (B), electronic equipment (B); bench mechanic, sheet metal (B); preparation man, chemical etch; decalomania maker; utility man, maintenance; record clerk, parts control (A); sorter, reclamation (A); attendants—tool storage (B), tool crib (A); upholsterer (B); storekeeper (B); clerk, inventory (C).
2	Operator, coding machine (A); inspector, microelectronic; reclamation man (C); storekeeper (C); crib attendant, aircraft sealant; surface processor and tank tender; attendants—tool storage (C), tool crib (B); warehouseman.
1	Assembler, wire group (C); inspector, part numbers; crater (C); helper, manufacturing; sander and masker; sorter, reclamation (B); record clerk, parts control (B); upholsterer (C).

¹ Previously shown as tool and die maker (A).

² Previously shown as tool and die maker (B).

NOTE: Underscored jobs are those which were upgraded by the 1974 agreement to labor grade indicated in table. Other jobs not shown here also were upgraded. All were upward adjustments of one grade.

Table 4. Supplementary compensation practices¹

Effective date	Provision	Applications, exceptions, and other related matters
Shift premium pay		
July 1, 1936 (agreement dated June 26, 1936).	8 hours' pay for 6¾ hours' work on third shift.	Added: Shifts to be rotated once a month; time and one-half for first shift after rotation if one shift had not elapsed between last work shift. Provision for shift rotation discontinued.
Oct. 17, 1938 (agreement dated Oct. 28, 1938).	.....
Aug. 1, 1940 (agreement dated Sept. 5, 1940).	5 cents an hour premium for work on second shift; pay at regular rate plus 5 cents an hour for 8 hours for 6½ hours' work on third shift.	
Mar. 3, 1943 (NWLB directive order of same date).	Increased to: 6 cents an hour premium for work on second and third shifts.	
Sept. 4, 1943 (NWLB directive order of same date).	Increased to: 10 cents an hour premium for work on second shift; pay at regular rate plus 10 cents an hour for 8 hours for 6½ hours' work on third shift.	
May 22, 1950 (agreement of same date).	.....
June 8, 1956 (agreement of same date).	Increased to: 12 cents an hour premium for work on second shift.	Added: Third-shift bonus (8 hours' pay for 6½ hours' work) prorated if employee worked less than 6½ hours on his regular third shift.
Oct. 2, 1968 (agreement of same date).	Increased to: 18 cents an hour for second shift.	
Oct. 2, 1974 (agreement of same date).	Increased to: 25 cents an hour for work on second shift.	
Overtime pay ²		
July 1, 1936 (agreement dated June 26, 1936).	Time and one-half for work in excess of 8 hours a day.	Time and one-half for work in excess of 6¾ hours on third shift. All hours worked over 6½ considered overtime on third shift.
Oct. 17, 1938 (agreement dated Oct. 28, 1938).	.....
Aug. 1, 1940 (agreement dated Sept. 5, 1940).	Changed to: Time and one-half for first 2 hours worked in excess of regular shift during regular workweek, double time thereafter.	
May 22, 1950 (agreement of same date).	Changed to: For third-shift workers—Time and one-half for the first 1½ hours worked outside assigned shift during regular workweek, double time thereafter.	
Premium pay for weekend work ² (and nonregular workweek)		
July 1, 1936 (agreement dated June 26, 1936).	Time and one-half for work on Saturday or Sunday as such.	
July 1, 1937 (agreement dated July 2, 1937).	Changed to: Time and one-half for the first 2 hours worked in excess of regular shift on Saturday or Sunday as such, double time thereafter.	

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Premium pay for weekend work ² (and nonregular workweek)—Continued		
Oct. 17, 1938 (agreement dated Oct. 28, 1938).	Changed to: Double time for work on Sunday as such.	Not applicable to maintenance and custodial employees. Added: Maintenance or other employees regularly working on Saturday and Sunday to receive applicable overtime pay for Monday and Tuesday as such, treated as Saturday and Sunday in that order.
Aug. 1, 1940 (agreement dated Sept. 5, 1940).	Changed to: Time and one-half for standard shift on Saturday as such, double time thereafter.	
Mar. 16, 1946 (agreement of same date).	.....
May 22, 1950 (agreement of same date).	Changed to: Time and one-half for 8 hours' work (6½ hours on third shift) on first day off, double time thereafter. Double time for work on second day off.	
Jan. 26, 1972 (agreement of Dec. 13, 1971).	Added: Employee assigned to work a nonregular workweek (other than Monday through Friday) would have 20 cents per hour added to his base rate for all compensable hours while so assigned.	
Oct. 2, 1974 (agreement of same date).	Increased to: 25 cents an hour added to base rate for all compensable hours for work on nonregular workweek (other than Monday through Friday).	
Holiday pay ²		
July 1, 1936 (agreement dated June 16, 1936).	Time and one-half for work on 7 holidays. No pay for holidays not worked.	Holidays were: New Year's Day, Washington's Birthday, Memorial Day, Fourth of July, Labor Day, Thanksgiving, and Christmas.
Oct. 17, 1938 (agreement dated Oct. 28, 1938).	Changed to: Double time for work on 8 holidays.	Holiday added was Armistice Day. Holidays falling on Sunday to be observed on day considered holiday by State or national Government.
Aug. 1, 1940 (agreement dated Sept. 5, 1940).	.....	Provision not applicable to custodial or maintenance workers.
May 22, 1950 (agreement of same date).	Added: 8 hours' straight-time pay plus applicable shift premium. Triple time (total) for work on these holidays.	Added: Holidays falling on custodial or maintenance employees' second day off to be observed on succeeding day. Holidays were: Days listed above except that Friday after Thanksgiving was substituted for Armistice Day. Holiday falling on Sunday to be observed on following Monday and holiday premium paid for all hours worked on Monday. Holiday pay provided for work on holidays falling on Saturday. To receive holiday pay, employee must (a) have worked either the last scheduled shift before or first scheduled shift following holiday or (b) furnish proof of inability to work because of illness and have been absent because of illness less than 30 days.

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Holiday pay ² —Continued		
May 22, 1950 (agreement of same date).—Continued		For employees regularly working on Saturday and Sunday, their regular days off to be considered as Saturday and Sunday in that order. Employees given extra day with pay for holiday during vacation.
July 31, 1953 (agreement of same date).	Added: Employees guaranteed 8 paid holidays regardless of day of week on which holiday fell. Employees not regularly scheduled to work on Saturday to be paid either for holiday falling on Saturday or for another designated workday at option of company.	
Dec. 24, 1957 (agreement dated June 7, 1958).	.....	Changed: Last regular workday before Christmas to be substituted for Washington's Birthday as a paid holiday. Holiday was Good Friday.
Oct. 2, 1965 (agreement of same date).	Added: 1 paid holiday.	
Oct. 2, 1968 (agreement of same date).	Added: 1 paid holiday (total 10).	Designated as Dec. 23 in 1968; Dec. 26 in 1969; and Jan. 2 in 1970.
Dec. 13, 1971 (agreement of same date).	Changed: Paid holidays over term of contract to give employees Christmas week off each year.	Holidays consisted of 5 core holidays—Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and the Friday after Thanksgiving—and a Christmas holiday period as follows: (a) 1st period—Dec. 24, 27, 28, 29, 30, and 31, 1971; (b) 2d period—Dec. 25, 26, 27, 28, and 29, 1972 and Jan. 1, 1973; and (c) 3d period—Dec. 24, 25, 26, 27, 28, and 31, 1973 and Jan. 1, 1974.
Oct. 2, 1974 (agreement of same date).	Added: 3 paid Christmas period holidays over the term of the 1974 contract (total 22 Christmas period holidays). The 5 basic holidays provided each year were continued, which, along with the Christmas period holidays, resulted in a total of 37 holidays over the contract term.	In addition, Good Friday was eliminated as a paid holiday. Scheduling of Christmas holiday periods was as follows: (a) 1st period—Dec. 23, 24, 25, 26, 27, 30, and 31, 1974, and Jan. 1, 1975; (b) 2d period—Dec. 24, 25, 26, 29, 30, and 31, 1975, and Jan. 1 and 2, 1976; and (c) 3d period—Dec. 24, 27, 28, 29, 30, and 31, 1976.
Vacation—sick leave—financial security plan		
July 1, 1936	No provision	
July 1, 1941 (agreement dated Sept. 5, 1940).	1 week's paid vacation after 1 year's service.	Company could substitute 1 week's pay in lieu of vacation during Emergency Defense Program.
July 1, 1943 (NWLB directive order of June 8, 1943).	Changed to: For employees with 1 or more year's service, 1 hour's paid vacation for each 22 hours worked in preceding year.	Vacation pay to be based on employee's prevailing rate of pay, including applicable shift differential. Vacation allowance of 8 work-hours for each month or fraction thereof worked between July 1, 1942, and June 30, 1943. Eligible employees could elect, within year following each qualifying date, to receive one-half of accumulated allowance in lieu of vacation. Vacation credits not used within 1 year following qualifying date because of

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Vacation—sick leave—financial security plan—Continued		
July 1, 1943 (NWLB directive order of June 8, 1943).—Continued		National Emergency or other reasons to be paid to employee at end of year. Employees terminated for any reason to be paid for earned and unused vacation allowance.
Feb. 1, 1946 (agreement dated Mar. 16, 1946).	Changed to: 1 hour's paid vacation for each 21 hours worked in preceding year.	Hours on third shift credited in ratio of 8 to 6½. Vacation hours counted as hours worked toward next year's vacation. Absences because of illness could be counted as vacation if employee made application before end of pay period following return to work.
May 22, 1950 (agreement of same date).	Changed to: 1 hour's paid vacation for each 20 hours worked in preceding year.	All hours for which employee was paid counted as hours worked. Premium hours counted as straight-time. Employees laid off for more than 14 calendar days to receive pay in lieu of all earned but unused hours of vacation.
May 22, 1956 (agreement dated June 8, 1956).	Added: 1 hour's paid vacation for each 17 hours worked by employees with 10 or more years' service.	
Apr. 23, 1960 (agreement dated Aug. 11, 1960).	Changed: Vacation-sick leave provision revised to include severance pay. Plan provided: For employees with less than 10 years' service, 1 hour's credit for each 17 hours worked in previous year; for employees with 10 or more years' service, 1 hour's credit for each 14 hours worked. First 40 hours' credit earned each year—cumulative to maximum of 200 hours—applied to sick leave-severance account; remainder, if any, to be used for paid vacation.	8 hours' credit deducted from sick leave-severance or vacation account for each day of absence on scheduled workday. Sick leave available to employees partly or wholly incapacitated by illness or injury on application made within 5 days following return to work. Employees entering military service or on other than temporary layoff or terminated for any other reason to receive pay in lieu of all unused credits. In the event of a short workweek, employee could elect (a) not to work short week and use vacation credits accumulated in the preceding year, (b) to work the short week and use vacation credits on days not worked, or (c) to be laid off, in which case the preceding layoff provision applied. Employee unable to use all vacation credits because of circumstances beyond his control to receive pay for remaining credits at end of year following qualification date.
Oct. 2, 1965 (agreement of same date).	Added: Employees with 20 years or more seniority to receive 1 hour credit for each 13 hours worked.	
June 1, 1966 (agreement of Oct. 2, 1965).	Changed: Sick leave—first 40 hours earned each year credited to sick leave; remainder to financial security plan. Established: Financial security plan—to replace the sick leave reserve account. ³ Plan to provide extended sickness and accident, termination, and retirement benefits. Contribution: Company to pay into a trust fund account each year, an amount equal to employee's base hourly rate multiplied by hours of unused	Base hourly rate included shift differential and cost-of-living but excluded overtime, and all other premium payments. Interest earned on the trust fund to be distributed among individual accounts.

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Vacation—sick leave—financial security plan—Continued		
June 1, 1966 (agreement of Oct. 2, 1965).—Continued	<p>credited sick leave⁴—maximum, 200 credit hours.</p> <p>Eligibility: Employee with 1 year of service or more and unused sick leave hours that had been converted to the trust fund.</p> <p>Benefits: (1) For illness, employees could withdraw an amount equal to the difference between compensation received under any company sick leave plan and the compensation they would have received had they been at work regularly; (2) at termination, lump-sum payment; (3) at retirement under a qualified company retirement plan, employees who participated in the voluntary savings plan could elect (a) total of 120 monthly installments guaranteed to employee or beneficiary, (b) an annuity contract on his life, (c) transfer of all or a portion of their account to provide additional monthly fixed income payments. Employees could choose (a), (b), or (c) above only if they chose the same option under the voluntary savings plan.</p>	<p>Benefits for illness available only when regular sick leave was exhausted or insufficient to provide compensation for all regularly scheduled hours lost.</p> <p>Termination by death, lump-sum payment of employee's account to beneficiary.</p> <p>Lump-sum payments at termination included hours of unused sick leave credit accumulated but not transferred to employee's account.</p> <p>Employee could choose the type of annuity contract to be purchased (with or without refund on death of employee, guaranteed fixed income payments, or joint and surviving annuitant option).</p>
Oct. 2, 1968 (agreement of same date).	<p>Changed: Vacation formula for employees with 10 but less than 20 years of seniority to 1 hour credit for each 13 hours worked. Employees with 20 or more years of seniority would receive 1 hour credit for each 11 hours worked.</p>	
Dec. 13, 1971 (agreement of same date).	<p>Increased: Maximum hours that would be placed in financial security plan to 400.</p>	
Oct. 2, 1974 (agreement of same date).	.....	<p>Changed: Employee allowed to carry over vacation credits into next year in order to meet extended vacation needs during that eligibility year.</p>
Reporting time pay		
July 1, 1936	No provision	
Oct. 17, 1938 (agreement dated Oct. 28, 1938).	4 hours' pay guaranteed workers reporting for work and laid off before end of shift.	Not applicable in case of sickness, physical incapacity, disciplinary action, emergency shutdown, or conditions beyond management control.
Aug. 1, 1940 (agreement dated Sept. 5, 1940).	8 hours' pay guaranteed employees ordered to report and reporting for work.	Not applicable in cases of emergency shutdown arising out of conditions beyond company's control.

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Reporting time pay—Continued		
Jan. 1, 1944 (agreement dated Jan. 5, 1944).	.....	Added: Guarantee to include applicable shift differential. For first- and second-shift employees regularly scheduled to work less than 8 hours, guarantee limited to number of hours regularly scheduled to work.
May 22, 1950 (agreement of same date).	.....	Eliminated: Provision regarding employees regularly scheduled to work less than 8 hours.
Instructors' pay		
July 1, 1936	No provision	
May 22, 1950 (agreement of same date).	Employees assigned as instructors to have 10 cents per hour added to base rates.	
July 31, 1953 (agreement of same date).	Increased to: 15 cents an hour.	
Oct. 2, 1968 (agreement of same date).	Increased to: 20 cents an hour.	
Dec. 13, 1971 (agreement of same date).	Provision for instructor's pay deleted.	
Missile base pay		
July 1, 1960 (agreement dated Aug. 11, 1960).	Employees in 4 highest labor grades assigned to jobs on missile test and minutemen bases to receive additional 54.5 cents an hour premium.	
Oct. 2, 1965 (agreement of same date).	Changed: Employees in 5 highest labor grades assigned to jobs in missile test and minuteman bases to receive additional 54.5 cents an hour premium.	
Jury-duty pay		
July 1, 1936	No provision	Jury-duty fees, excluding travel allowance, returned to company.
June 8, 1956 (agreement of same date).	8 hours' pay at straight-time rates for each day of jury duty.	Changed: Base pay for jury-duty purposes to include shift differential and cost-of-living allowance.
Oct. 2, 1968 (agreement of same date).	.....	Changed: Compensation received for jury service not to be deducted from company payment.
Dec. 13, 1971 (agreement of same date).	Added: Employees subpoenaed as a witness in a Federal or State court of law where not called as a witness on their own behalf, or in an action where employee was a party or voluntarily sought to testify, to be paid 8 hours' pay at current straight-time base rate, including shift differential and cost-of-living allowance if applicable, for each regular work day for which daily witness fee was paid. Such pay would be in addition to any other compensation received.	

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Armed Forces Reserve leave		
Oct. 2, 1968 (agreement of same date).	Established: Employee who was a member of a reserve component of the Armed Forces and was required to enter active duty training or temporary special services would be paid normal straight time earnings, including shift differential and cost-of-living allowance where applicable, for up to a maximum of 10 work days each calendar year, less compensation received from the government body identified with employee's duty (excluding items such as subsistence, rental, and travel allowance).	
Dec. 12, 1973 (agreement of same date).	.....	Changed: Period in which maximum calculated to government fiscal year.
Bereavement pay		
Dec. 13, 1971 (agreement of same date).	Established: 3 days bereavement leave with pay for death in immediate family. Such pay would be for 8 hours at straight time base wage rate, including shift differential and cost-of-living allowance where applicable, but would not be in addition to pay received for days off under any other provision of the agreement. Leave had to be taken within 7 days following the death, funeral or service.	Immediate family was defined as employee's spouse, mother, father, mother-in-law, father-in-law, children, brother, sister, son-in-law, daughter-in-law, grandparents, and grandchildren. Employee must prove attendance at funeral or services.
Oct. 2, 1974 (agreement of same date).	.....	Added: To definition of immediate family—step-parents, step-children, step-brother, step-sister, half-brother, and half-sister.
Health and insurance plan		
Aug. 1, 1952 (agreement dated July 31, 1952).	<p>Health and insurance plan made contributory and incorporated in agreement providing for employees:⁵</p> <p>Life insurance—\$3,000 or \$4,500 (including \$500 bonus provided by company), depending on hourly earnings.⁶</p> <p>Accidental death and dismemberment—\$2,500 or \$4,000, depending on hourly earnings.⁶</p> <p>Sickness and accident benefits—\$21 or \$31.50 a week, depending on hourly earnings, up to 13 weeks for disabilities</p>	<p>Employees to pay 57 cents and company \$8.65 a month (employees formerly paid entire cost).</p> <p>Bonus based on experience during previous policy year usually used to increase life and accidental death and dismemberment benefits beyond stated amounts.⁷</p> <p>Employees permanently and totally disabled prior to age 60, to receive after 6 months' disability, life insurance in lump sum or installments.</p> <p>Not applicable in maternity cases.</p>

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
Aug. 1, 1952 (agreement dated July 31, 1952).—Continued	<p>not covered by workmen's compensation; \$10.50 or \$15.75 a week, depending on hourly earnings, up to 13 weeks, for those covered by workmen's compensation.⁸ Benefits to begin on first day of illness or injury not covered by workmen's compensation, on fourth day if covered by workmen's compensation.</p> <p>Medical and surgical benefits—Care by panel doctor, including office, hospital, and home visits, authorized diagnostic X-rays, needed laboratory services, authorized radium and deep X-ray therapy, eye examinations, administration of anesthesia in surgical procedures, examination and treatment for active tuberculosis in patient's home or doctor's office, for period of 8 calendar months (not necessarily consecutive) plus 30 consecutive days in each contract year for each nonoccupational injury.</p> <p>Chronic and preexisting conditions—Medical care from time coverage becomes effective and surgical care (including hernia, conditions of the female pelvis, and cancer) after 10 consecutive months' coverage.</p> <p>Maternity benefits—\$75.</p> <p>Ambulance fee—For any one trip for any one disability, up to maximum of \$8.</p> <p>Orthopedic appliances and braces not designed for permanent use.</p> <p>Hospitalization (room and board)—Maximum \$10 a day for 60 days for men and 30 days for women and dependent children under age 19 for each nonoccupational disability. For continuous hospitalization for one disability, benefits at ½ maximum rate for additional 120 days.</p>	<p>Benefits provided through King County (Wash.) Medical Service Bureau.</p> <p>Not applicable to disabilities for which treatment was received in 3-month period before becoming member of plan, occupational disabilities, mental illness (except diagnosis), or other specified conditions.</p> <p>Not applicable if employee has been under supervision, examination, or treatment for the condition within 90 days of the effective date of coverage.</p> <p>Maximum of 10 days for maternity care and 30 days for malignancies, cardiac, vascular, renal, or hypertensive diseases. Not applicable to mental illness or tuberculosis.</p>

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
Aug. 1, 1952 (agreement dated July 31, 1952).—Continued	<p>Special hospital expenses, including general nursing care, surgical dressings, and supplies used in hospital, all standard drugs, and additional items for which specific dollar limits were established.⁹</p> <p>In-hospital medical care—Provided for diseases not requiring surgery, postsurgical care, treatment of fractures and other injuries, and consultation with specialists.</p> <p>Out-patient medical care—Provided at hospital for nonoccupational accidental injuries within 24 hours of injury.</p> <p>Poliomyelitis—Medical and surgical care while hospitalized.</p> <p>Tonsils and adenoids—Removed after 6 consecutive months' coverage.</p>	
Aug. 1, 1954 (agreement dated July 19, 1954).	<p>Changed to: Life insurance—Flat \$4,500.</p> <p>Accidental death and dismemberment—Flat \$4,000.</p> <p>Increased: Sickness and accident benefits—\$35 a week for nonoccupational disability, \$17.50 for occupational disability.</p> <p>Changed to: Hospitalization (room and board)—Accommodations in room for four or more, up to \$16.50 a day.</p> <p>Special hospital expenses—Dollar limitations on special hospital services removed.</p>	Increased: Employee contribution to 88 cents a month.
Aug. 1, 1955 (agreement dated July 22, 1955).	<p>.....</p> <p>Changed to: Sickness and accident benefits—\$35 to \$45 a week for nonoccupational disability, \$17.50 to \$22.50 for occupational disability, depending on labor grade.¹⁰</p> <p>.....</p>	Increased: Employee contribution to \$1.20 a month.
May 22, 1956 (agreement of same date).	.....	Added: \$1,000 life insurance for pensioners and future retirees.
Aug. 1, 1960 (agreement dated Aug. 11, 1960).	Changed to: Company-paid plan providing benefits previously in effect.	Company to pay \$10.30 per calendar month for each eligible employee.
May 16, 1963 (agreement of same date).	Added: Major medical-surgical-hospital expense supplement for employees to provide full payment for up to 2 years for	No benefit was payable for any of conditions excluded under basic plan, pregnancy, or for care while not confined in hospital.

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
May 16, 1963 (agreement of same date).—Continued	<p>covered services where basic benefits were exhausted.</p> <p>Added: Specified disease insurance to provide reasonable and customary charges for hospital, medical, nursing, and transportation expenses for up to 5 years (maximum \$5,000).</p> <p>Increased: Hospitalization (room and board)—to \$23.50 a day for employees (from \$20).</p>	<p>Employees to pay cost of such insurance.¹¹ Diseases covered were cancer, poliomyelitis, spinal meningitis, smallpox, diphtheria, tetanus, leukemia, and encephalitis. Rental fees for mechanical apparatus such as an iron lung to be provided for all diseases except cancer.</p>
Sept. 1, 1963	<p>Added: Major medical coverage for dependents as for employees.</p> <p>Increased: Hospital (room and board)—to \$23.50 a day for dependents (from \$18).</p>	<p>Added: Employee insurance premium to be waived for period of 5 calendar months following 1 calendar month—company obligated to pay full monthly premium due to absence resulting from continuous period of illness or injury.</p> <p>Increased: Company contribution to \$12.18 a month.</p>
Dec. 1, 1965 (agreement of same date).	<p>For employees only—increased: Life insurance—Bonus provided by company, to \$2,000.</p> <p>Accidental death and dismemberment—Bonus provided by company, to \$2,000.</p> <p>Sickness and accident benefits—Duration, to 26 weeks with benefits payable from 1st day of disability for accidental injury not covered by workmen's compensation; from 1st day of confinement in hospital for nonoccupational or occupational injury or disease; from 7th day of disability for accidental injury covered by workmen's compensation and all other disease.</p> <p>For employees and their dependents—Hospitalization—Increased: Room and board, to \$27.50 a day for 70 days.</p> <p>Added: Special hospital expenses—Cost of administering blood and blood plasma.</p> <p>Increased: Ambulance fee—To \$25 a trip (maximum \$50 per disability).</p>	<p>Employees eligible the 1st day of the month following first full calendar month of employment.</p> <p>Successive periods of disability defined as those separated by 30 continuous days of active employment.</p> <p>Maximum of 42 units for mental or nervous disorders defined as follows: 1 unit was equivalent to 1 day of hospitalization at 50 percent of semiprivate room costs or one medical treatment at 50 percent of cost for those services covered by the plan.</p> <p>Monthly cost of dependent coverage was: Spouse—\$11.74, child or children—\$10, and family—\$21.74.¹² The company contribution for dependent coverage was to increase effective Oct. 1, 1967.</p> <p>Benefit for participant in company plan and another plan limited to full cost of services.</p>

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
Dec. 1, 1965 (agreement of same date).—Continued	Medical and surgical benefits changed: Maternity benefits: Up to \$75 for normal delivery, \$150 for Caesarean section or ectopic pregnancy, and full payment for surgery because of intraabdominal complications resulting from pregnancy.	
Oct. 1, 1967 (agreement of Dec. 1, 1965).	Hospital-medical-surgical plan.	Increased: Company contribution for dependent coverage. ^{1 2}
Dec. 1, 1968 (agreement of Oct. 2, 1968).	<p>Increased to: \$10,000 total life insurance.</p> <p>Increased to: \$6,000 maximum for accidental death and dismemberment insurance benefit.</p> <p>Increased to: Sickness accident benefits—\$45 to \$55 a week for nonoccupational disability, and \$22.50 to \$27.50 for occupational disability, depending on labor grade.^{1 3}</p> <p>Increased: Maximum obstetrical benefits to \$200 for normal delivery and \$300 for Caesarean section. Paid in full coverage was extended to include ectopic pregnancy, miscarriage or therapeutic abortion while hospitalized.</p> <p>Increased: Hospitalization (room and board)—to maximum \$46 a day for up to 365 days for any one continuous period of disability.</p> <p>Changed: Major medical plan to pay 80 percent of (50 percent for mental or nervous disorder while not confined in hospital) of covered expenses in excess of \$100 in a calendar year, and benefits paid under basic plan, up to a lifetime maximum of \$15,000 per individual. Maximum deductible of \$300 per family per calendar year.</p>	<p>Previous \$2,000 bonus for both life and accidental death and dismemberment eliminated.</p> <p>Increased: Company contribution to hospital-medical-surgical insurance plan for dependents.^{1 4}</p> <p>Plan covered same services as provided by basic plan plus registered nursing, rental of iron lung and other durable medical or surgical equipment including dialysis equipment, initial artificial limbs or eyes, and treatment of nervous or mental disorder.</p> <p>On Jan. 1, of each year any amount which had been applied against maximum of individual and not previously restored or reinstated was automatically restored up to \$1,000. In addition, if at any time the maximum of individual was reduced by \$1,000 or more by benefits received, reinstatement of maximum could be requested if individual then in good health and insurance agent accepted evidence of insurability.</p>
Dec. 1, 1969 (agreement of Oct. 2, 1968).	Increased: Hospitalization (room and board)—to maximum \$48 a day.	
Jan. 1, 1970 (agreement of Oct. 2, 1968).	Established: Dental benefit program for employees and dependents covering all types of dentistry except orthodontics.	<p>Company contribution to dental plan established at \$5.67 per month per eligible employee.</p> <p>Financing arranged by employees giving up 3 cents an hour effective Sept. 26, 1969 and thereafter from cost-of-</p>

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
Jan. 1, 1970 (agreement of Oct. 2, 1968).—Continued	After a \$50 deductible for each eligible participant, the program paid up to 72 percent (50 percent for crowns, bridges and prosthodontics) of the maximum allowance specified in schedule of dental services. Benefits were payable up to \$750 per year and \$2,500 per lifetime.	living allowance. ^{1 5}
Dec. 1, 1970 (agreement of Oct. 2, 1968).	Increased: Sickness and accident benefits to—\$60 to \$70 a week for nonoccupational disability, and \$30 to \$35 for occupational disability, depending on labor grade. ^{1 3} Increased: Hospitalization (room and board)—to maximum \$50 a day.	
Jan. 1, 1972 (agreement of Dec. 13, 1971).	Added: Optional health care coverage for Puget Sound employees. During first 30 days of employment, employee could elect medical care coverage under the Group Health Cooperative of Puget Sound, Inc., instead of the Boeing Group Health Plan. Company would contribute its normal amount to optional plan.	Employees hired prior to Jan. 1, 1972, would have option available only during February 1972; for those electing optional plan, coverage began April 1, 1972. New applicants to the optional Group Health Plan limited to 500 families per year.
Mar. 1, 1972 (agreement of Dec. 13, 1971).	Increased: Ambulance allowance to \$30 for one trip and \$60 for single period of disability. Added: Employee and eligible dependents could continue to be covered under the Package Program while on approved leave of absence if the employee arranged to pay the premiums for the program to the company by the 10th of the month for which they were due. Changed: Coverage for determination of refractive error, and prescription for glasses to maximum of \$10 in a 24-month period. Increased: Accidental Death and Dismemberment benefit to maximum of \$10,000. Increased: Major Medical maximum benefit to \$20,000. Increased: Hospitalization (room and board)—to maximum \$62 per day.	Changed: Contract language for health care benefits to cover "reasonable and customary" charges, replacing the previous open-ended language.

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
Nov. 1, 1972	Established: Service-type dental program for employees and dependents with a maximum of \$750 annually per individual. Program paid minimum of 70 percent of allowable charges for basic dental care on an incentive basis. The incentive rate was increased by 10 percentage points to 80 percent if basic benefits were used in previous period or calendar year. For those under plan on Nov. 1, 1972 who availed themselves of basic benefits before 1974, plan paid 80 percent for such care and 90 percent in 1974 (incentive rate reduced to 70 percent if basic benefit not used before 1974). Program paid 50 percent of allowable charges for prosthetic care. Allowable charges were those considered usual and customary as filed by a participating dentist or according to a schedule of allowances for a nonparticipating dentist.	Incentive care basis or basic benefits included examination and recall services; oral prophylaxis; restoration of carious teeth; oral surgery including anesthesia; periodontics; endodontics; and emergency care. Prosthetic care benefits included procedures for construction of bridges, partial or complete dentures, or adjustment or repair of existing prosthetic appliances; crowns; and fixed bridgework when removable device unsatisfactory. Both incentive and prosthetic care benefits were subject to certain limitations.
Jan. 1, 1973 (agreement of Dec. 13, 1971).	Increased: Company contribution to dental plan to \$11.60 per month per eligible employee. Plan coverage to be equivalent to Washington Dental Service Plan. Increased: Sickness and accident benefits, to \$70 to \$80 a week for nonoccupational disability, and to \$35 to \$40 for occupational disability, depending on labor grade. ^{1 6} Established: Survivor Income Benefits for eligible survivors to be payable in the event of an employee's death from any cause, at any time or place, while insured under the Plan. Benefits were in two parts: A. Transition Benefits: \$150 per month to qualified survivors who were not eligible to receive unreduced social security benefits and \$100 per month to survivors who were receiving such benefits, to maximum 24 months. Benefits would commence	Transition benefits were to be paid to qualified survivors according to the following order of priority (and divided equally if paid to more than 1 survivor): (1) The employee's widow or widower if she or he was lawfully married to the employee for at least 1 year immediately prior to employee's death; (2) the employee's unmarried child or children under age 23 if legally residing with the employee and if dependent on the employee at the time of death for at least 50 percent of the child's support during the year immediately preceding the employee's death. In addition, the child would continue to be eligible regardless of age if totally and permanently disabled and legally residing with and dependent on the employee; and (3) the employee's parent or parents if dependent for 50 percent or more of their support in the year

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
Jan. 1, 1973 (agreement of Dec. 13, 1971).—Continued	<p>the first of the month following employee's death.</p> <p>B. Bridge Benefits: After expiration of transition benefits, \$150 per month would be paid to eligible spouse if spouse was at least 50 years of age at the time of employee's death. Benefit would continue while spouse was living and unmarried until (1) date the spouse attained age 62, or, (2) date full widow's or widower's insurance benefits under the Federal Social Security Act became payable. If the widow was eligible to receive mother's insurance benefits under the Federal Social Security Act, monthly payments would be deferred until such benefits ceased.</p> <p>Increased: Hospitalization (room and board) to maximum \$66 per day.</p> <p>Increased: Diagnostic and X-ray benefit maximum to \$200 annually.</p> <p>Added to: Medical-surgical-hospital plan—nursery and other care for newborn child.</p> <p>Increased: Ambulance allowance to \$35 for one trip and \$70 for any one disability.</p> <p>Increased: Normal maternity allowance to \$300, and Caesarean section to \$350.</p>	preceding the employee's death.
Jan. 1, 1974 (agreement of Dec. 13, 1971).	<p>Changed: Permanent and total disability benefit—an employee who became totally and permanently disabled while insured and before age 60 would be paid (after disability had continued for 6 months) the life insurance benefit in monthly installments of \$200 for up to 50 months commencing the first of the month after proof was received of total and permanent disability. In the event the employee died, the balance of the remaining life insurance benefit would be paid</p>	

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
Jan. 1, 1974 (agreement of Dec. 13, 1971).—Continued	to his beneficiary in a lump sum. In the event the employee returned to work, the amount of the unpaid installments plus accrued interest to date would be reinstated as employee's total life insurance.	
	Increased: Hospitalization (room and board) to maximum \$70 per day.	
Jan. 1, 1975 (agreement of Oct. 2, 1974).	.....	Added: Company paid entire cost of dependent's medical, dental, and prescription drug coverage.
	Increased: For determination of refractive error and prescription of glasses—maximum to \$20.	
	Increased: Dental program—company contribution from \$11.60 per month per employee to \$14.91 per month per employee. It was expected that the increased contributions would permit the incentive care rate to be increased each year by 10 percentage points when benefits were used previous calendar year, to maximum of 100 percent of allowable charges (rate also was to be reduced each year by 10 percentage points when benefits not used previous year, to minimum 70 percent); and the dental benefit annual maximum to \$1,000 per individual.	
	Increased: Hospitalization (room and board)—to maximum \$80 a day.	
	Added: Well-baby care—physicians charges for first in-hospital examination of infant within 48 hours of birth.	
	Added: Major medical coverage of expenses incurred in approved alcoholic treatment	Added (contract language for clarity only, not an added benefit): Hospital expense coverage for confinements for dental objectives certified necessary by physician for (a) prompt repair of natural teeth or other body tissues required as result of accidental injury or (b) to safeguard health of patient from effects of oral surgery due to specific nondental hazardous systemic medical condition.

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Health and insurance plan—Continued		
Jan. 1, 1975 (agreement of Oct. 2, 1974).—Continued	center with \$1,000 maximum per calendar year. Coverage paid 80 percent of excess expenses over deductible. (The co-insurance rate is 50 percent when not confined in approved alcoholic treatment center.) Established: Prescription drug program—covering Federal legend drugs, State-restricted drugs, compounded medications, and insulin for employees and their dependents—which paid 100 percent of a participating pharmacy's or 75 percent of a nonparticipating pharmacy's "allowable prescription costs" in excess of a \$2 deductible applicable to each filling of the prescription and to each covered refill. The amount of a drug (including insulin) which could be dispensed per prescription or refill would be in quantities normally prescribed up to and including a 34-day supply or in units of 100, whichever was greater. "Allowable prescription costs" were defined as ingredient cost, plus a set professional fee; in the case of insulin, the ingredient cost, plus 50 percent.	
Jan. 1, 1977 (agreement of Oct. 2, 1974).	Increased: Hospitalization (room and board)—to maximum \$90 a day.	
Pension plan		
July 31, 1936	No provision	
Jan. 1, 1957 (agreement dated July 22, 1955).	Noncontributory plan established providing following benefits, in addition to Federal old age, survivors, and disability insurance: Normal retirement—Employees aged 65 or older to receive: (1) Basic monthly benefit of \$1.75 for each year of credited service; (2) supplemental past service monthly benefit of 1/12 of 3/4 of 1 percent of monthly basic annual compensation rate on Jan. 1, 1955, in	Not applicable to employees hired on or after Jan. 1, 1956, who had passed their 55th birthday when hired. Approximately half of funds to be invested in common stock and half in preferred and similar securities.

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Pension plan—Continued		
Jan. 1, 1957 (agreement dated July 22, 1955).—Continued	<p>excess of social security maximum, times years of credited service prior to date between Jan. 1, 1955, and Jan. 1, 1957, on which he became eligible under plan; and (3) supplemental future service monthly benefits varying with size of special pension trust assets but designed if possible to provide 1/12 of 1-1/2 percent of basic annual compensation rate in excess of social security maximum for each year of credited service after Dec. 31, 1954.</p> <p>Early retirement—Employees aged 55 but under 65 to receive actuarially reduced pension if approved by retirement committee.</p> <p>Joint and survivorship option—Providing actuarially reduced benefits to employee and spouse.</p> <p>Vested rights—Employee whose service was terminated after 5 years or more of credited service after first becoming eligible on or after Jan. 1, 1955, could receive (a) deferred monthly benefits at age 65 based on 45 percent of normal basic and future service retirement benefits for 5 years of credited service after first becoming eligible plus 15 percent for each additional year, to 90 percent for 8 years and 100 percent for 9 years or more, or (b) actuarial equivalent of normal benefit at any time during 10 years prior to reaching age 65.</p>	<p>Employee could elect an actuarially adjusted “level” income throughout retirement, receiving a higher benefit from the company plan than would be due under the regular formula until primary social security benefits begin. Smaller benefits were provided thereafter, with company plan benefits plus primary social security benefits equaling initial benefits from the plan.</p> <p>Employee could provide spouse with benefits equal to either 75 percent of 50 percent of own benefits. No benefits payable to spouse of employee dying before early or normal retirement date.</p> <p>Employee after age 55 but prior to approved early or normal retirement to receive in addition same proportion of (a) basic retirement benefits for any credited service for period before becoming eligible and (b) supplemental past service benefits.</p> <p>Credited service to include continuous service after employee had served 3 years with company and reached his 30th birthday and prior to normal retirement (65th birthday or Jan. 1, 1957, whichever was later) or actual retirement date, whichever was earlier. Eligibility under plan did not begin prior to Jan. 1, 1955.</p>
May 16, 1963 (agreement of same date).	<p>Increased: Normal monthly benefit—For each year of credited service after May 16, 1963, to \$2.25.</p> <p>Added: Minimum monthly benefit for normal or late retirement, to \$50.</p>	
Jan. 1, 1966 (agreement of Oct. 2, 1965).	<p>Increased: Normal monthly benefit—For each year of credited service: (1) For employees re-</p>	

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Pension plan—Continued		
Jan. 1, 1966 (agreement of Oct. 2, 1965).—Continued	<p>tired on or before June 1, 1963, to \$3.20 (was \$1.75), maximum benefit not to exceed \$50 a month and (2) for employees retired on or after effective date, to \$4.25 (was \$2.25), minimum benefit—\$50 a month.</p> <p>Eliminated: Actuarial reduction in pension benefits between the ages of 62 and 65, for women who retired early and men who retired because of permanent disability.</p>	
Jan. 1, 1969 (agreement of Oct. 2, 1968).	<p>Changed: Unreduced pension to be available to those age 62 and over.</p> <p>Increased: Normal monthly benefit for each year of credited service commencing Jan. 1, 1969, to \$5.75.</p> <p>Changed: Minimum retirement benefit would be paid to employees retiring on or after Jan. 1, 1969 and on or after their normal retirement dates. The benefit would be \$50 per month or \$5.75 per month for each year of credited service, whichever was greater.</p>	<p>Changed: Definition of credited service as it applied to basic retirement benefits so that any employee who as of Jan. 1, 1969 had completed 3 years of service would be eligible for benefits (the age 30 requirement was eliminated).</p> <p>Added: Additional retirement benefit for each employee in the service of the company on Jan. 1, 1969 equal to \$1 per month per year of credited service prior to Jan. 1, 1969, after adjustment of credited service due to elimination of age 30 requirement.</p> <p>Added: A "1968 Benefit Addition" for employees retired before Jan. 1, 1969, of \$1 per month for each year of credited service that was accrued after attainment of age 30 and 3 years of service. This "addition" was to be subject to any actuarial reductions for early retirement and survivor options which applied at time of retirement.</p>
Jan. 1, 1972 (agreement of Dec. 13, 1971).	<p>Increased: Basic monthly pension benefit to \$7 for each year of credited service for those retiring on or after Jan. 1, 1972 including those on layoffs who had not lost seniority.</p> <p>Increased: Basic monthly benefit—by \$1 for each year of credited service for those who retired prior to Jan. 1, 1972.</p> <p>Eliminated: Minimum benefit of \$50 per month or \$5.75 per</p>	<p>Benefit subject to any actuarial adjustments for early retirement and adjustments for joint and survivor options which applied when employees retired.</p>

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Pension plan—Continued		
Jan. 1, 1972 (agreement of Dec. 13, 1971).—Continued	month for each year of credited service, whichever was greater, for those retired on or after Jan. 1, 1972. Added: Credited service allowance, for those returning to the company on or after Jan. 1, 1972, for time spent in union positions.	Included was a provision for nonduplication of any benefits provided by the union. Allowance was applicable to basic benefit and vesting percentage only.
Jan. 1, 1974 (agreement of Dec. 13, 1971).	Increased: Basic monthly pension benefit to \$8 for each year of credited service for those retiring on or after Jan. 1, 1974. Established: Disability retirement benefit which consisted of employee's basic retirement benefit, supplemental past service retirement benefit, and the supplemental future service retirement benefit accrued to the date of disability retirement and not subject to actuarial adjustment for early commencement of benefits.	Eligible employee was defined as one permanently and totally disabled after age 50 after 9 years of credited service on or after Dec. 13, 1971 prior to normal retirement date. Employee must have been eligible for or receiving disability benefits under the Federal Social Security Act and have been permanently and totally disabled for 6 consecutive months beginning on or after Dec. 13, 1971.
Jan. 1, 1975 (agreement of Oct. 2, 1974.)	Increased: Basic monthly benefit to \$9 per year of credited service before 1975 and \$12 per year of credited service after 1974 for those retiring on or after Jan. 1, 1975. Changed: Credited service allowed employees on company approved leaves of absence for time spent in union positions on or after Jan. 1, 1971 (applicable only to basic benefit and vested percentage) to a maximum of 10 years for such service (no nonduplication provision for benefit provided by union).	
Jan. 1, 1976 (agreement of Oct. 2, 1974).	.....	Added: Credited service under retirement plan to begin after 1 year of such service for an employee who had been at work on or after Jan. 1, 1976.
Voluntary savings plan		
Dec. 1, 1965 (agreement of Oct. 2, 1965).	Established: Voluntary savings plan—Employee with 1 year or more service could elect payroll deduction ranging from 1 to 5 percent of base pay; company to contribute one-half the employees' allotment and to pay administrative costs.	At retirement, employee could elect (1) to receive a lump-sum payment, (2) to defer receipt of payment with interest 1 year, or (3) if the balance was at least \$1,500, member could elect to (a) receive 120 equal monthly installments, (b) receive an immediate annuity contract on his life, (c) transfer all or a portion of his account balance to the retirement plan to provide additional monthly fixed income payments, or receive a combination of items (1) and (3). (See options at

See footnotes at end of table.

Table 4. Supplementary compensation practices¹—Continued

Effective date	Provision	Applications, exceptions, and other related matters
Voluntary savings plan—Continued		
Dec. 1, 1965 (agreement of Oct. 2, 1965).—Continued	Withdrawals could be made as follows: (1) Member account at any time; minimum withdrawal of \$100 except when entire account was withdrawn; (2) Company account—Full amount (a) at or after normal retirement under company retirement plan, (b) at termination of employment because of total disability, (c) at time employee entered Armed Forces for 90 days or more, or (d) at death, payment to employees beneficiary, or (e) upon request on continuous layoff for 31 days or more, or automatically if layoff exceeded 6 months; (3) Vested rights—On termination for reasons other than those listed in (2) above, employee to obtain rights in percentage of company contributions. ^{1 7}	retirement under Financial Security plan.)
Jan. 1, 1972 (agreement of Dec. 13, 1971).	Changed: Members could withdraw full amount in their member and company accounts upon retirement on or after attaining age 62 under a company retirement plan.	
Jan. 1, 1975 (agreement of Oct. 2, 1974).	Changed: Amount in company account paid automatically after 12 months of layoff (was 6 months). Changed: Employees could contribute up to 8 percent of their compensation (compensation included retroactive base wage adjustments). Company contributed one-half of employee's amount. Changed: A 6-month penalty period in which a member could not contribute following a voluntary withdrawal from the plan (was 12 months).	

¹ Last entry under each item represents the most recent change.

² During the period covered by Executive Order 9240 (Oct. 1, 1942, to Aug. 21, 1945), practices relating to overtime compensation and holiday pay were modified when necessary to conform to that order.

³ The plan was established because the previous sick leave reserve account was not consistent with Internal Revenue Service regulations and Defense Department policies.

⁴ Employees accumulated hours of credit for a 1-year period. On each anniversary date of employment unused hours of sick leave were converted to the financial security plan and employees began a new accumulation of credit hours. (See provision of Apr. 23, 1960.)

⁵ In addition to the provisions listed, dependents' benefits were also available with costs borne by employees who participate.

Footnotes to table 4—Continued

⁶ Plan provided:

<i>Basic hourly rate</i>	<i>Life insurance paid by company</i>	<i>Contributory life insurance</i>	<i>Accidental death and dismemberment insurance</i>
Less than \$1.44	\$500	\$2,500	\$2,500
\$1.44 and over	500	4,000	4,000

⁷ In 1953, bonus added 35 percent of face value of life insurance; in 1954 and in 1958, it added a flat \$1,600.⁸ Plan provided:

<i>Hourly earnings</i>	<i>Weekly benefits for disability not covered by workmen's compensation</i>	<i>Weekly benefits for disability covered by workmen's compensation in addition to any amount received from workmen's compensation</i>
Less than \$1.15	\$21.00	\$10.50
\$1.15 and over	31.50	15.75

⁹ Maximum benefits were: \$25 for first hour for use of surgical operating rooms and equipment for major surgery and \$15 for minor surgery, \$2.50 for each ensuing half hour for both; \$20 for delivery room; \$50 for serums (except blood or derivatives), antibiotics, and hormones (including penicillin, streptomycin, aureomycin, ACTH, cortisone, etc.); \$25 for diagnostic X-rays; \$5 for basal metabolism tests; \$10 for electrocardiograms, including interpretation; \$15 for in-hospital laboratory tests; \$12.50 for anesthesia for major surgery and \$8.50 for minor surgery, plus cost of materials (maximum did not apply in case of anesthesia administered by panel doctor to employee); tissue examination and animal inoculation; \$25 for tonsils and adenoids, including anesthesia, after 6 months' coverage; \$20 for emergency room care within 24 hours of accident not requiring hospitalization.

¹⁰ Plan provided:

<i>Labor grade</i>	<i>Weekly benefits for disability not covered by workmen's compensation</i>	<i>Weekly benefits for disability covered by workmen's compensation in addition to any amount received from workmen's compensation</i>
7-10	\$35.00	\$17.50
3-6	40.00	20.00
A-2	45.00	22.50

¹¹ Yearly rates were as follows:

	<i>Employee contribution</i>
Employee only	\$2.60
Employee and 1 dependent	5.20
Employee and 2 dependents or more	7.80

¹² The monthly cost of dependent coverage from Dec. 1, 1965, to Oct. 1, 1967, and after, was as follows:

	<i>Employee contribution</i>		<i>Company contribution</i>	
	<i>Dec. 1, 1965– Oct. 1, 1967</i>	<i>Oct. 1, 1967 and after</i>	<i>Dec. 1, 1965– Oct. 1, 1967</i>	<i>Oct. 1, 1967 and after</i>
Spouse	\$ 6.84	\$5.19	\$4.90	\$ 6.55
Child or children	5.95	4.60	4.05	5.40
Spouse and child or children	12.79	9.79	8.95	11.95

¹³ Weekly disability benefit schedule was:

	<i>Weekly benefit for disease and accidental injuries–</i>			
<i>Labor grade</i>	<i>Not covered by workmen's compensation</i>		<i>Covered by workmen's compensation</i>	
	<i>Dec. 1, 1968</i>	<i>Dec. 1, 1970</i>	<i>Dec. 1, 1968</i>	<i>Dec. 1, 1970</i>
1-3	\$45.00	\$60.00	\$22.50	\$30.00
4-7	50.00	65.00	25.00	32.50
8-11	55.00	70.00	27.50	35.00

Footnotes to table 4—Continued

¹⁴ The monthly company contribution effective Oct. 1, 1968 toward cost of hospital-medical-surgical insurance for dependents was:

<i>Dependent coverage</i>	<i>Company contribution</i>
Spouse	\$12.35
Child or children	8.52
Spouse and child or children	20.98

¹⁵ See Oct. 2, 1968 entry in table 1 regarding diversion of monies towards dental plan.

¹⁶ Weekly disability benefit schedule effective Jan. 1, 1973 was:

<i>Weekly benefit for disease and accidental injuries—</i>		
<i>Labor grade</i>	<i>Not covered by workmen's compensation</i>	<i>Covered by workmen's compensation</i>
1–3	\$70.00	\$35.00
4–7	75.00	37.50
8–11	80.00	40.00

¹⁷ Payment to terminating employee determined as follows:

<i>Balance in company account arising from contribution made in:</i>	<i>Percentage payable to terminating member</i>
Calendar year of termination	0
1st year preceding calendar year of termination	20
2d year preceding calendar year of termination	40
3d year preceding calendar year of termination	60
4th year preceding calendar year of termination	80
5th year preceding calendar year of termination, and all earlier calendar years	100

Appendix A. Rate Progression Schedules

A learner progression plan was established effective Oct. 2, 1968 (designated "rate progression schedule" effective Oct. 2, 1974) which provided for individuals to be hired or reclassified to certain jobs at a designated learner rate which was lower than the rate of the labor grade identified with the job. It provided for progression at specified intervals to the labor grade (target grade) rate as follows:

Effective October 2, 1968:

<i>Labor grade rates paid until "target" grade reached</i>								
<i>*</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>"Target" grade</i>
<i>Number of months at each grade rate in progressing to "target" grade</i>								
2								1
2	2							2
2	2	4						3
2	2	4	4					4
	2	4	4	4				5
		4	4	4	6			6
			4	4	6	6		7
				4	4	6	4	8

*Rate for grade 1 less 13 cents.

Effective January 26, 1972:

<i>Labor grade rates paid until "target" grade reached</i>											
<i>*</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>"Target" grade</i>
<i>Number of months at each grade rate in progressing to "target" grade</i>											
2	-----										1
2	2	-----									2
	2	4	-----								3
	2	4	4	-----							4
	2	4	4	4	-----						5
		4	4	4	6	-----					6
			4	4	6	6	-----				7
				4	6	6	6	-----			8
					4	6	6	8	-----		9
						6	6	8	8	-----	10
							6	8	8	8 ---	11

*Rate for grade 1 less 15 cents.

Effective Oct. 2, 1974:

Labor grade rates paid until "target" grade reached

<i>*</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>"Target" grade</i>
<i>Number of months at each grade rate in progressing to "target" grade</i>											
2											1
2	2										2
	2	4									3
	2	4	4								4
	2	4	4	4							5
		4	4	4	6						6
			4	4	6	6					7
				4	6	6	6				8
				4	6	6	6	6			9
					6	6	6	6	6		10
						6	6	6	6	6	11

*Level equivalent to the rate for grade 1 less 16 cents.

Wage Chronologies Available

The following wage chronologies are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or from the regional offices of the Bureau of Labor Statistics listed on the inside back cover. Some publications are out of print and are not available from the Superintendent of Documents but may be obtained, as long as supplies are available, from the Bureau of Labor Statistics, Washington, D.C. 20212, or from the Bureau's regional offices. Out-of-print items also may be available for reference in leading public, college, or university libraries.

Before July 1965, basic wage chronologies and their supplements were published in the *Monthly Labor Review* and released as Bureau reports. Wage chronologies published later are available only as bulletins (and their supplements). Summaries of general wage changes and new or changed working practices are added to bulletins as new contracts are negotiated.

- Aluminum Company of America with United Steelworkers of America and Aluminum Workers International Union—
 - Nov. 1939-May 1974, BLS Bulletin 1815
 - Feb. 1974-May 1977, Supplement to BLS Bulletin 1815
- American Viscose (a division of FMC Corp.)—
 - 1945-67, BLS Bulletin 1560¹
 - June 1968-June 1974, Supplement to BLS Bulletin 1560
- The Anaconda Co.—
 - 1941-58, BLS Report 197¹
- Armour and Company—
 - 1941-72, BLS Bulletin 1682
 - Sept. 1973-Aug. 1976, Supplement to BLS Bulletin 1682
- A. T. & T. — Long Lines Department and Communications Workers of America (AFL-CIO)—
 - Oct. 1940-July 1974, BLS Bulletin 1812
- Atlantic Richfield Co. (former Sinclair Oil Companies' facilities)—
 - 1941-72, BLS Bulletin 1771
 - Jan. 1973-Jan. 1975, Supplement to BLS Bulletin 1771
- Berkshire Hathaway Inc. and the Textile Workers—
 - June 1943-Apr. 1975, BLS Bulletin 1849
- Bethlehem Steel Corporation (Shipbuilding Department) and the IUMSW—
 - June 1941-Aug. 1975, BLS Bulletin 1866
- Bituminous Coal Mine Operators and United Mine Workers of America—
 - Oct. 1933-Nov. 1974, Bulletin 1799
- Commonwealth Edison Co. of Chicago and International Brotherhood of Electrical Workers—
 - Oct. 1945-Mar. 1974, BLS Bulletin 1808
- Dan River Inc.—
 - May 1943-Jan. 1972, BLS Bulletin 1767
 - Jan. 1973-June 1974, Supplement to BLS Bulletin 1767
- Federal Employees under the General Schedule Pay System—
 - July 1924-Oct. 1974, BLS Bulletin 1870
- Firestone Tire and Rubber Co. and B.F. Goodrich Co. (Akron Plants)—
 - 1937-73, BLS Bulletin 1762
 - Apr. 1973-Apr. 1976, Supplement to BLS Bulletin 1762

Ford Motor Company—
 June 1941-Sept. 1973, BLS Bulletin 1787
 Oct. 1973-Sept. 1976, Supplement to BLS Bulletin 1787
 International Harvester Co. and the Auto Workers—
 Feb. 1946-Sept. 1976, BLS Bulletin 1887
 International Paper Co., Southern Kraft Division—
 Dec. 1937-May 1973, BLS Bulletin 1788
 June 1973-May 1977, Supplement to BLS Bulletin 1788
 International Shoe Co. (a division of Interco, Inc.)—
 1945-74, BLS Bulletin 1718
 Lockheed-California Company (a division of Lockheed Aircraft Corp.)—
 1937-67, BLS Bulletin 1522¹
 Martin Marietta Aerospace and the Auto Workers—
 Mar. 1944-Nov. 1975, BLS Bulletin 1884
 Massachusetts Shoe Manufacturers and United Shoe Workers of America (AFL-CIO)—
 Jan. 1945-Jan. 1975, BLS Bulletin 1800
 New York City Laundries and the Clothing Workers—
 Nov. 1945-Nov. 1975, BLS Bulletin 1845
 North Atlantic Longshoremen—
 1934-71, BLS Bulletin 1736
 Pacific Coast Shipbuilding—
 1941-67, BLS Bulletin 1605¹
 Pacific Gas and Electric Co.—
 1943-73, BLS Bulletin 1761
 Pacific Longshore Industry—
 1934-70, BLS Bulletin 1568¹
 Aug. 1969-July 1975, Supplement to BLS Bulletin 1568
 Railroads-Nonoperating Employees—
 1920-62, BLS Report 208¹
 Rockwell International (Electronics, North American Aircraft/Space Operations) and UAW—
 May 1941-Sept. 1977, BLS Bulletin 1893
 Swift & Co.—
 1942-73, BLS Bulletin 1773¹
 United States Steel Corporation and United Steelworkers of America—
 Mar. 1937-Apr. 1974, BLS Bulletin 1814
 May 1974-July 1977, Supplement to BLS Bulletin 1814
 Western Greyhound Lines—
 1945-67, BLS Bulletin 1595¹
 1968-72, Supplement to BLS Bulletin 1595
 Western Union Telegraph Co.—
 1943-67, BLS Bulletin 1545¹
 1968-71, Supplement to BLS Bulletin 1545

¹ Out of print. See *Directory of Wage Chronologies, 1948-72*, for *Monthly Labor Review* in which reports and supplements issued before July 1965 appeared.

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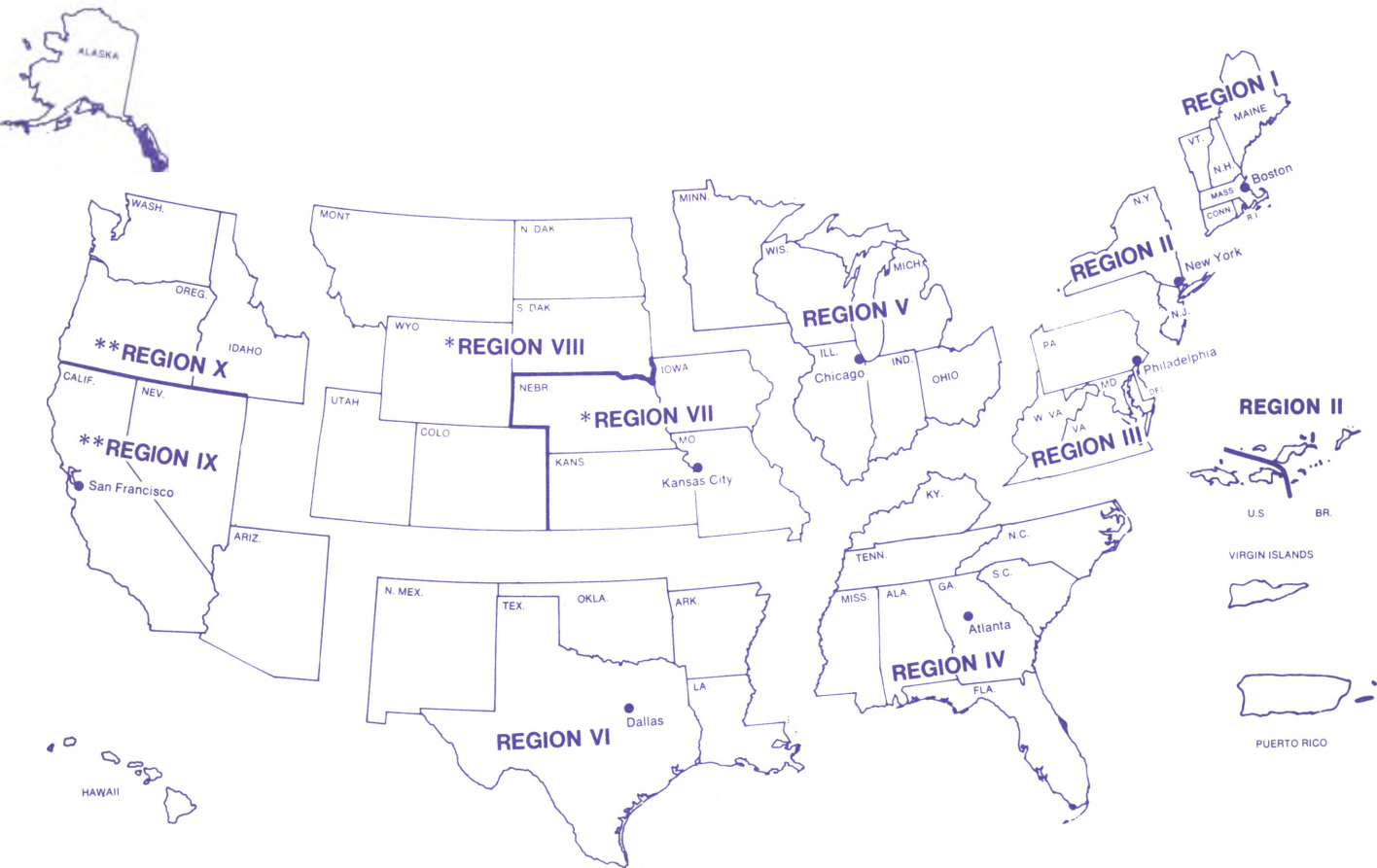
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