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Employment of School Age Youth

Leisure and Long Hours

Work Stoppages in 1965

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Monthly Labor Review

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LAWRENCE R. KLEIN, *Editor-in-Chief*

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This Issue in Brief . . .

IT BECOMES increasingly evident that the availability of manpower is tied up with the type and quantity of education and skills training available to the population. The education already attained by today's adults is itself a determinant of the number who enter the labor force, and what they do there. At the same time, occupational demands of industry, for today and tomorrow, help to set the Nation's educational style.

In line with the theorem that manpower planning is education planning, and vice versa, the *Review* this month offers several studies, each focused on a different aspect of the work force and each related to educational attainment.

In a Special Labor Force Report on *Employment of School Age Youth, October 1965* (p. 739), Forrest Bogan notes the increasing tendency of young Americans to stay in school longer; in October 1965, more than half of the 32.8 million 14 to 24 year-olds were in school. Improved job opportunities appear to be important in making this possible. Both the number of students in the labor force and the number of students employed had increased sharply since October 1964.

For another Special Labor Force Report, Claire Hodge studied the redistribution of employment in the 1950-63 period, and found that the upgrading of the occupational structure had more effect on average annual earnings than did shifts in the industrial composition of employment. In *The Effects of Employment Redistribution on Earnings* (p. 744), the author estimates that by 1975, as the occupational pattern continues to move toward more professional and technical jobs and fewer low-skilled jobs, the effect of this change will contribute another 2-percent increase to the all-occupations average annual earnings figure.

Along with the increased awareness of the interweaving of labor supply and educational policy has come increasing attention to the relations between school management and the teachers who play a dual manpower role—as developers

and shapers of the labor force, and themselves a significant segment of that labor force. In *Representation Among Teachers* (p. 728), Michael H. Moskow discusses the application to education of a principle long accepted in private employment collective bargaining, and describes the attitudes toward exclusive recognition exhibited by leading teacher organizations. An expanded version of this article appears as a chapter of his new book on *Teachers and Unions*.

Following are some recent key statistics from continuing BLS series. See current *Labor Statistics*, pp. 798-840.

	June	1966	1965
Total civilian labor force (in thousands).....		79,601	78,003
Employment.....		75,731	73,716
Unemployment.....		3,870	4,287
Unemployment rate (seasonally adjusted) (percent).....		4.0	4.7
Earnings of production workers in manufacturing (preliminary):			
Average hourly earnings.....		\$2.70	\$2.61
Average weekly hours.....		41.5	41.3
Average overtime hours.....		4.0	3.6
May			
Index of average hourly earnings of production workers in manufacturing (excluding overtime and interindustry shifts) (1957-59=100).....		124.4	120.6
Consumer Price Index (including single workers) (1957-59=100).....		112.6	109.6

THE PERSISTENT RISE in the number and proportion of employees working longer hours—"an incongruous phenomenon in today's leisure-minded world"—is examined by Peter Henle in *Leisure and the Long Workweek* (p. 721). From 1948 to 1965, the proportion of nonfarm wage and salary employees who worked more than 48 hours a week rose from 12.9 to 19.7 percent. Aside from those individuals, most often professional or technical workers, who enjoy their work and could not be kept from working long hours, and those who hold such responsible positions that long hours are either required or expected of them, there is a relatively high incidence of longer-hour workers among men age 25-44, among married men, and among low-paying industries and occupations such as trade and services. No clear-cut pattern of concentration in the lower wage brackets emerges, however, and the degree of association between longer hours and earnings on the job appears to be importantly affected by characteristics of the industry.

The Labor Month in Review

The Teamsters Prepare for Nationwide Contracts

AT THE ENTRANCE to the auditorium in Miami Beach, where the Teamsters Union began its 19th international convention on July 4, was a booth plugging two songs: "Teamsters' Serenade" and "Hoffa's Blues." These titles were thematic to much that transpired at the meeting. There were three dominant efforts:

1. To strengthen international office control in the negotiation of industry, area, and nationwide contracts.
2. To portray General President James R. Hoffa as a victim of Government and press persecution.
3. To provide for a leadership succession if President Hoffa should vacate his office under specified conditions, and to leave the gates ajar for his return.

Fundamental constitutional changes made at the 1961 convention had shifted controlling power in the union from locals to the international, but a few buttressing amendments were made in 1966.¹

Topside Control. One major change evoked especially vigorous debate. A local union party to area, conference, industry, or national bargaining must now accept the terms of an ensuing contract even though its members vote against it. It may not withdraw from the larger bargaining unit except on 6 months' notice, and then only upon approval of the parent unit and the International Executive Board. Moreover, the General President may appoint the negotiating committees for the large geographic or industry units. The same negotiating committee is authorized with broad latitude to conduct ratification or strike votes.

¹ See L. R. Klein, "The Eighteenth Convention of the Teamsters Union," *Monthly Labor Review*, August 1961, pp. 829-834. The 1961 article summarizes and interprets the significance of the 1961 constitutional shifts in power to the presidency which made possible the major events at the 1966 convention.

It is now union policy to foster "national negotiations and national agreements in any industry in which the . . . Teamsters has jurisdiction." Carte blanche is offered the top officers to "expend any funds . . . to accomplish negotiation, administration, and enforcement of national agreements."

Topside Push. International officers considered the national agreement clauses so important to union welfare and bargaining power that Larry Steinberg, Mr. Hoffa's personal representative, and Vice Presidents Dominick Calabrese and Harold J. Gibbons spoke for their passage.

Robert J. Coar of Local 701, New Brunswick, N.J., led the fight against the proposals, and summarized thus:

When you centralize control and power in economics or through industrial corporations, it is termed a monopoly. And . . . when you centralize power of bargaining rights, there is no stronger economic monopoly

Because President Hoffa has been convicted of mail fraud and jury tampering (both cases are under appeal), there is a strong possibility that he may serve part of his current 5-year term in prison, and numerous and unabashed allusions to this risk were made during the proceedings, especially while the convention considered a series of constitutional amendments relating to vacancies and expulsions.

A new post of General Vice President was created (salary, expenses, and duties to be determined by the General President). Upon death, resignation, or removal of the General President (not imprisonment per se), the General Vice President automatically takes over for the unexpired term. Meanwhile, his duties and salaries are set by the President. Frank E. Fitzsimmons, of Mr. Hoffa's home local 299, Detroit, was elected without opposition to the new office.

(Mr. Hoffa, Secretary-Treasurer John F. English, an officer of the Teamsters since 1912, and all 12 remaining Vice Presidents were reelected by acclamation.)

Security. Any effort to suspend or expel Mr. Hoffa either as a local union member or international officer until his cases are finally adjudicated is forestalled by two new constitution changes. One prohibits trials of members or local officers on the same set of facts which they may be facing in a criminal or civil trial, pending final

verdict on appeal. The other provision proclaims that elective officers can be brought up on union charges only for current sins: that is, misbehavior during current terms of office unless the charges relate to actions not generally known to the membership prior to the current term.

The convention program adroitly portrayed the General President as a victim of forces who hoped to weaken the union by destroying him. At the same time, he was depicted as a doting grandfather, the man for whom eight \$4,000 college scholarships (financed by the union) would be named.

Comments of delegate Joseph Konowe, Local 210, New York City, were typical:

... When they are in the national office I have witnessed upon hundreds of occasions children of our members and officers ... run into the arms of the General President, because they feel a genuine affection; something that comes from within this man reaches out to the children ...

Messages to the convention were received from 74 U.S. Senators and Congressmen (14 of them on video tape) and from 12 unions, including 9 affiliated with the AFL-CIO.

There was a considerable effort to create an analogy between Mr. Hoffa and John L. Lewis. This began at the opening session with a film of Mr. Lewis' career, casting him as reviled by the press, hounded by the Government, and castigated by the public. Mr. Hoffa called the film "a perfect setting for this convention."

Only two outside speakers gave major talks: Senators Edward V. Long of Missouri and Eugene P. McCarthy of Minnesota. Both made vigorous pleas for due process of law and respect for the sanctity of individual rights as a safeguard against government tyranny.

Senator Long:

This law [respecting wire tapping] and these constitutional rights [of privacy] apply to Harold Gibbons [and] Jimmy Hoffa ... and it is not for some [government] agent to determine. I want the right for a jury to determine whether I am guilty or not ... When privacy vanishes, democracy as we know and love it is in deep trouble.

Mr. Hoffa responded:

... Nobody knows what it is to lose your right of counsel; nobody knows what it is to lose your right of a fair trial; nobody knows what it is to have perjured testimony used against you until you have been the victim of the same.

Senator McCarthy:

... And I remind the press that its basic function is really not to bring about convictions, but to give as much protection as it can to the accused ... But no trial by police and no trial by press, and certainly no trial by Congress ...

The union's record, as revealed in its officers' report, indicates noteworthy progress, despite its problems. Per capita membership figures (somewhat ambiguous in the report) appear to have increased about 7 percent since 1961 to 1,600,000. Net worth was \$50 million, up \$12 million in 5 years. But only \$5 million of the increase in net worth was derived from per capita tax; the remainder came from investments.

Per capita tax payments to the international were consequently raised from \$1 to \$1.50 a month and monthly dues of members were raised to at least \$6, with a mandatory raise of at least \$1.

The President's salary was raised from \$75,000 to \$100,000, and all other officers received substantial increases.

Resolutions. Response of the 1,845 delegates to President Hoffa's and other union officers' legal problems took tangible form in two hard cash resolutions. These authorized payments of \$1,277,680 in legal expenses incurred in criminal proceedings.

A resolution on civil rights, though passed, made no mention of Negroes (nor did the five lines on the subject in the officers' report). Vice President Gibbons, however, made a strong plea for Negro rights, pointing to their effect on political and economic progress.

Determination to enter the agriculture and food processing industries was expressed by the General President:

... We must expand into the agricultural field. We must recognize that the packing plant or cannery is no longer a packing shed by a mobile unit ... moving into the fields, picking ... cleaning ... packing ... and into a high speed semitrailer and on the way to the markets.

Resolutions were also endorsed for equalization of Canadian wages (the union has about 45,000 members in Canada), highway safety, organization of white-collar and technical workers, and a Federal Department of Transportation.

Leisure and the Long Workweek

Recent Studies Suggest That
Long Hour Schedules Are Increasing
For Much of the Labor Force

PETER HENLE*

MOST PROJECTIONS of the future course of the economy assume a gradual but continuing decline in time that employees spend at work. Such projections overlook an important set of statistics that demonstrate a quite different pattern of behavior. A significant portion of the Nation's work force consistently works more than a 48-hour week and from all indications, this proportion has been increasing rather than declining.

This article is aimed at exploring two aspects of this trend: (1) who are the individuals working such long hours? and (2) at what types of jobs are they working?

There can be little doubt about the basic trend. From 1948 to 1965, the number of nonfarm wage and salary employees working more than 48 hours almost doubled, rising from 4.8 million to 9.4 million, or from 12.9 percent to 19.7 percent of the full-time nonfarm work force (table 1).¹

This increase occurred at the same time that other groups of workers were shifting to shorter workweeks. From 1948 to 1965, the proportion of full-time nonfarm employees working between 35 and 40 hours increased from 4.8 percent to 8.2 percent and the proportion working 41 to 48 hours dropped from 30.5 percent to 18.3 percent (table 2). However, the increase in longer hours employees has been so persistent that average weekly hours for the full-time nonfarm work force was almost the same in 1965 as it had been in 1948 (about 45 hours).

Who works these long hours? In May 1965,² a total of 14.8 million persons were working 49 hours or more, 21 percent of the total at work.

Of these workers, 9.4 million were nonfarm wage and salary workers, or almost one-fifth of the full-time work force. These individuals are not simply a smaller version of the total labor force. Men in the primary age groups, married men, and white men are more heavily represented. Groups represented to a lesser degree are women, teenagers, older men, single men, and nonwhites.

Of the employees working long hours, the majority worked between 49 and 59 hours, but fully 40 percent were on the job 60 hours or more. It can therefore be assumed that the longer hours group does not simply consist of individuals with a regular 48-hour schedule working a few overtime hours. Rather, the group includes many working exceedingly long hours—often much longer than 60 hours a week. In fact, the average workweek reported for those working more than 60 hours was

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¹The basic data used in this article relate to nonfarm wage and salary employees. This definition omits the following three groups in the work force whose inclusion in the data would tend to distort basic trends in average time at work: (1) part-time employees (mostly women and teenagers), (2) self-employed (including farmers), and (3) farm laborers. Since the number of part-time employees working less than 35 hours has been increasing rapidly in recent years while the self-employed and farm workers whose hours are traditionally quite lengthy have been declining, it is clear that inclusion of these groups in the basic data depicting changes in work time over a period of years would produce a statistically correct but quite misleading decline in average hours worked.

²Throughout this article, May is used as the month of reference for data obtained through the household survey. This practice is followed for two reasons: (1) May is considered a normal month for data on working hours because the survey week does not include a holiday, while annual average data are often distorted because of the varying incidence of holidays in other months of the year, and (2) for some of the earlier years, data on hours are available only for the month of May when special surveys were taken.

69 hours, indicating that many worked well beyond that amount.³

Answers obtained in a special inquiry of single jobholders in May 1964 show the way the long hours were scheduled. The schedule for three-fourths of the group included a 5-day workweek of longer than 40 hours as well as weekend work. Only 18 percent of those working 49-59 hours and 4 percent of those working 60 hours or more worked a 5-day week. Here is how the long hours group is divided among single and multiple jobholders:

Nonagricultural Employees Working Long Hours
May 1965

	[In millions]		
	49 hours or more	49-59 hours	60 hours or more
Total.....	9.4	5.5	3.8
Single jobholders.....	7.5	4.7	2.8
Multiple jobholders.....	1.9	.9	1.0

The 1.9 million multiple jobholders working 49 hours or more represents more than three-fifths of all nonfarm wage and salary "moonlighters."⁴ As expected, a higher proportion of multiple jobholders worked longer hours than did the comparable group of single jobholders. The distribu-

tion pattern according to age, sex, and color does not differ markedly between multiple and single jobholders.⁵

Industry Comparison

The incidence of long hours varies by industry and occupation. Higher rates are more prevalent in the trade and service industries and among managerial, professional, sales, and private household workers than in construction, manufacturing, and government, or among blue-collar and clerical workers where the incidence of long hours is lower than the average rate.

For some industries there are significant differences between the proportion of single and multiple jobholders working long hours. In manufacturing and government, for example, where fixed working hours are generally the rule, opportunities are limited for overtime or work beyond 48 hours weekly. The employee who wants to work longer hours than this must obtain a second job. While a relatively small proportion of employees in these industries are working longer than 48 hours on a single job, the proportion of multiple jobholders is relatively high.

From the data we can identify three types of individuals working long hours. The first group includes those who genuinely enjoy their work and therefore want to work long hours. This group is certainly illustrated, for example, by the relatively high proportion of professional and technical employees working long hours.

In the second group are those persons who hold responsible positions and are either required or expected to work long hours. This helps to explain the high incidence of long hours among managerial employees.⁶

³ Based on special inquiry in May 1964.

⁴ Detailed information on multiple jobholders is given in "Multiple Jobholders in May 1965," *Monthly Labor Review*, February 1966, pp. 147-154, which was reprinted with additional statistical tables as Special Labor Force Report No. 63.

⁵ Detailed information on characteristics of persons working long hours and three additional tables will be contained in the reprint of this article.

⁶ A number of comments have been published on the different attitudes toward work of the rising numbers of professional, technical, and managerial employees. See J. K. Galbraith, *The Affluent Society* (Boston, Houghton-Mifflin Co., 1958), ch. XXIV; Harold L. Wilensky, "The Uneven Distribution of Leisure: The Impact of Economic Growth of 'Free Time,'" *Social Problems*, January 1961, pp. 32-56; and A. M. Ross, "The New Industrial Relations," *The Changing Patterns of Industrial Relations: Proceedings of the International Conference on Industrial Relations*, Tokyo, Japan, 1965 (Tokyo, Japan Institute of Labor, 1966), p. 144.

TABLE 1. PERSONS WORKING 49 HOURS OR MORE PER WEEK AS A PROPORTION OF TOTAL PERSONS AT WORK BY CLASS OF WORKER

Item	[In thousands]					
	May 1948			May 1965		
	Total at work	Working 49 hours or more	Percent	Total at work	Working 49 hours or more ¹	Percent
ALL WORKERS						
Total.....	56,899	12,074	21.2	70,005	14,833	21.2
Wage and salary.....	44,629	5,686	12.7	59,537	9,938	16.7
Self-employed.....	10,431	5,832	55.9	8,860	4,557	51.4
Unpaid family workers.....	1,839	556	30.2	1,608	338	21.0
AGRICULTURE						
Total.....	7,650	4,541	59.4	5,031	2,398	47.7
Wage and salary.....	1,614	842	52.2	1,568	583	37.2
Self-employed.....	4,544	3,228	71.0	2,465	1,638	66.5
Unpaid family workers.....	1,492	471	31.6	998	177	17.7
NONAGRICULTURAL						
Total.....	49,249	7,533	15.3	64,974	12,435	19.1
Wage and salary.....	43,015	4,844	11.3	57,969	9,355	16.1
Full-time.....	37,538	4,844	12.9	47,534	9,355	19.7
Self-employed.....	5,887	2,604	44.2	6,395	2,919	45.6
Unpaid family workers.....	347	85	24.5	610	161	26.4

¹ The estimated number of persons working 49 hours or more for May 1965 was revised upward by 700,000 from the regularly published figure. Basically, this adjustment corrects for an underreporting of hours by multiple jobholders revealed by probing questions in the May survey.

TABLE 2. HOURS WORKED BY FULL-TIME NONAGRICULTURAL WAGE AND SALARY WORKERS

May	Total at work 35 hours or more	Percent distribution by hours worked						
		Total	35-39	40	41-48	49 and over	49-59	60 and over
1948.....	37,538	100.0	4.8	51.8	30.5	12.9	8.0	4.9
1953.....	41,206	100.0	5.5	58.0	24.1	12.4	(1)	(1)
1957.....	41,801	100.0	7.5	59.2	19.0	14.3	8.4	5.9
1959.....	42,641	100.0	7.4	59.6	18.3	14.7	8.1	6.6
1963.....	45,370	100.0	7.7	56.4	18.0	17.9	10.4	7.5
1965.....	47,537	100.0	8.2	55.3	18.3	18.2	10.8	7.4

¹ Not available.

The third classification is in sharp contrast to the other two. It includes those people who work long hours because of their need for additional income. Evidence for this conclusion is drawn from the relatively heavy incidence of long hours found among men in the 25-44 age group, married men, and among certain low-paying industries and occupations, especially trades and service. On the other hand, other low-income groups such as laborers and Negro workers include a smaller than average proportion working longer hours. This anomaly might well be explained by the limited opportunities offered to these groups to work longer hours and the more physically exhausting nature of their jobs which would limit the individual's interest in extending his worktime.

The relation between long working hours and earnings can be explored at greater length, using results from recent Bureau of Labor Statistics surveys. In 1964, the annual May survey of employees working long hours included, for the first time, an inquiry on total weekly earnings. Preliminary results, as shown in table 3, support previous indications that among the group working long hours is a heavy representation of both low-wage workers and high-salary earners. Among both men and women, the proportion working 60 hours or more a week was highest for workers whose weekly earnings were less than \$60 or more than \$150. Because respondents were not asked the dollar amount of their weekly earnings but only to indicate in which of several groupings their earnings fell, the data cannot be readily translated into hourly earnings. Since for any

given level of weekly earnings, the longer the workweek the lower the hourly earnings, it is clear that transforming the data in table 3 into hourly earnings would have the effect of concentrating an even larger proportion of the longer hours workers at the lower end of the earnings scale.

The May 1964 inquiry was directed at total weekly earnings and thus includes all pay at overtime premiums. However, from this and subsequent studies, it is clear that only a small proportion of those working 49 hours or longer are receiving premium pay for any hours above 40. In May 1965, only 27 percent of those single jobholders working 49 hours or more received any premium pay. This group was concentrated largely among blue-collar workers in manufacturing, construction, transportation, and public utilities, all of which fall within the jurisdiction of the Fair Labor Standards Act. Receipt of premium pay was far less common among white-collar workers in these industries and for all occupations in other industries generally falling outside the scope of the Federal statute. Only 11 percent of the more than 4 million single jobholders in trade and service industries working over 49 hours received any premium pay.

Moreover, the longer the workweek, the less likely the employee is to receive any premium pay. Over 40 percent of single jobholders working 41-48 hours received premium pay, but only 32 percent of those working 49-59 hours and 18 percent of those working 60 hours or longer received premium pay. Average overtime hours at premium pay for those persons working 60 hours or more was actually less than it was for persons working 49-59 hours.⁷

TABLE 3. DISTRIBUTION OF FULL-TIME WAGE AND SALARY WORKERS BY WEEKLY EARNINGS AND HOURS OF WORK, MAY 1965.

Weekly hours	Number (in millions)	Percent distribution by weekly earnings					
		Less than \$40	\$40-\$59	\$60-\$79	\$80-\$149	\$150-\$199	\$200 and over
MEN							
35-40.....	17.9	2.2	7.6	12.1	56.5	13.7	7.9
41-48.....	6.9	1.6	7.4	14.1	57.1	12.5	7.3
49-59.....	4.8	2.6	6.1	10.4	54.3	13.9	12.5
60 and over.....	3.9	3.6	7.0	13.2	45.9	13.8	16.5
WOMEN							
35-40.....	11.6	8.2	26.0	26.8	36.7		2.4
41-48.....	2.3	16.5	23.3	27.9	29.0		3.4
49-59.....	.8	19.0	19.8	14.0	38.9		8.3
60 and over.....	.4	28.1	16.8	14.1	33.0		8.1

⁷ For 1964 data, see James R. Wetzel, "Long Hours and Premium Pay," *Monthly Labor Review*, September 1965, reprinted as Special Labor Force Report No. 57. Data for 1965 will be included in a forthcoming article in the *Monthly Labor Review*.

TABLE 4. PROPORTION OF LONG-HOURS EMPLOYEES WITH LOW STRAIGHT-TIME EARNINGS, MANUFACTURING INDUSTRIES, MAY 1964

Characteristics	Number of employees (in thousands)			Percent with hourly earnings under \$1.30		Percent with hourly earnings under \$1.50	
	Total	40 hours	49 hours or more	40 hours	49 hours or more	40 hours	49 hours or more
United States.....	14,590	6,098	1,271	6	6	13	15
Metropolitan areas.....	10,578	4,508	868	3	3	9	9
Nonmetropolitan areas.....	4,013	1,590	403	12	12	25	27
Northeast.....	4,923	1,998	362	4	2	11	9
South.....	3,229	1,286	333	15	15	31	37
North Central.....	4,806	1,976	474	3	3	8	8
West.....	1,633	838	101	1	1	4	4
Food.....	1,293	423	166	7	14	13	29
Textile.....	849	303	84	10	5	39	25
Apparel.....	1,243	340	37	30	21	55	40
Lumber.....	536	184	67	23	15	37	38
Furniture.....	357	141	52	10	10	27	36
Paper.....	542	222	66	2	(¹)	6	2
Printing and publishing.....	837	204	50	8	4	21	10
Leather.....	326	91	13	15	15	43	35
Stone, clay, and glass.....	528	229	52	3	9	9	19
Fabricated metal products.....	1,034	508	118	2	3	7	11
Machinery, except electrical.....	1,324	609	208	1	1	3	5
Instruments.....	309	173	18	3	1	9	4
Miscellaneous manufacturing.....	339	162	24	9	2	24	9

¹ Less than 0.05 percent.

Hours and Earnings

Specific data on straight-time hourly earnings by weekly hours worked are available from a series of recent BLS studies conducted at the request of the Wage and Hour and Public Contracts Divisions. The data provide the most comprehensive picture available of average hourly straight-time earnings for production or nonsupervisory workers classified by the number of hours worked.

Results of three specific studies in this series (manufacturing, wholesale trade, and retail trade) show no simple direct relation between hours of work and levels of pay (tables 4-6). For both wholesale and retail trade, and for almost all individual industries for which information is available, the longer hours employees are more heavily concentrated at the lower end of the earnings scale.⁸ This same relationship holds for each major section of the country as well as for metropolitan and nonmetropolitan areas. Interestingly, although this concentration is also evident in a number of manufacturing industries, it is not found in manufacturing as a whole or in a majority of individual manufacturing industries with recorded data.

It seems clear that certain characteristics of individual industries play an important role in determining the degree of association between low pay and longer hours. For example, in manufacturing, individual overtime is relatively rare. An increase in the weekly schedule beyond 40 hours necessarily involves large groups of employees. Since overtime premium pay is almost universally applicable, the employer must carefully weigh the advantage of increased production against very specific increased labor costs. The result is that although there has been considerable overtime worked in manufacturing industries, it seldom goes beyond 48 hours weekly. In the March 1964 manufacturing survey, only 9 percent of the non-supervisory employees were working 49 hours or more. Undoubtedly, many of these—except for certain numbers of guards, janitors, etc.—were the more highly skilled maintenance employees whose overtime efforts are often needed to put equipment in working order for the regularly scheduled day-time shifts. There is thus no clear-cut pattern of concentration of longer hours employees in the lower wage brackets.

In wholesale trade, the great majority of employees are covered by the Fair Labor Standards Act. This is undoubtedly an important factor responsible for the quite small proportion (9 percent) of the employees working 49 hours or more. However, overtime can be more easily scheduled on an individual basis. From the data, it is clear that a disproportionately large number working these long hours fall at the low-wage end of the distribution. For example, fully one-fifth of those working 49 hours or more are earning less than \$1.30, compared to only 8 percent of those working the standard 40-hour week.

In retail trade, the Fair Labor Standards Act was applied for the first time by the 1961 amendments. The law provided a gradual introduction of an hours standard beginning with a 44-hour standard in 1963 and ending with the 40-hour standard in September 1965. However, the 1961 law extended coverage only to the larger retailing firms. In June 1965, when the wage survey was undertaken, about 40 percent of the industry's

⁸ There does not appear to be any concentration at the upper end of the earnings scale but this is not inconsistent with earlier findings since these studies covered only nonsupervisory employees.

employees were covered by the law. The survey shows a close relation between longer hours worked and lower straight-time earnings. For each section of the country and for each individual industry for which data are available, the proportion of employees receiving less than \$1.00 or \$1.25 an hour is higher among employees working 48 and more hours a week than it is for those working only 40 hours. Similarly, a much higher proportion of low-wage than higher wage workers work 48 hours or more.

Further evidence on this question is given by a study of employees of motor carriers, who are generally not covered by hours provisions of the Fair Labor Standards Act. Wage data for November 1964 show a close correspondence between longer hours and lower pay for a number of specific occupations.⁹

Policy Problems

What conclusions can be drawn from this evidence? In the first place, it sheds some light on the relationship between hours of work offered and rates of pay.

The finding that a relatively large proportion of long-hours employees are concentrated at the lower end of the wage distribution is consistent with a negative slope in the curve for the supply of labor—as wages rise, fewer hours will be offered. In effect, the lower wage induces the worker to accept longer hours in order to achieve a certain income standard. However, the evidence also suggests at least two situations where employees are willing to work long hours; if the employees enjoy their work, or if they receive premium pay for overtime work.¹⁰

The facts regarding the prevalence of long working hours raises questions about the long-

standing belief that Americans are showing increasing preference for leisure instead of income. Many workers, for reasons either of choice, habit, or necessity, seem to regard leisure as second to income. However, the recent trend toward leisure has frequently taken the form of increasing paid vacations and paid holidays. Since the data under discussion is limited to length of workweek and not extended paid leave, the results may simply indicate the changing attitude toward leisure time; a shift from preference of short periods of leisure at the end of the workday to more extended periods through an increased number of days off with pay.¹¹

Finally, what implications can be drawn from these data regarding efforts through public policy to limit work time by setting an hours standard beyond which work must be paid at premium rates of pay? Does the persistence of such long hours indicate that the current hours standards have failed to achieve their purpose or are these long hours largely outside the scope of today's legislation?

Previous mention has been made of the fact that only a small proportion of longer hours workers are receiving premium pay for hours worked beyond 40. The distribution of these workers by industry and occupation is generally

TABLE 5. PROPORTION OF LONG-HOURS EMPLOYEES WITH LOW STRAIGHT-TIME HOURLY EARNINGS, WHOLESALE TRADE, MARCH 1964

Characteristics	Number of employees (in thousands)			Percent with hourly earnings under \$1.30		Percent with hourly earnings under \$1.50	
	Total	40 hours	49 hours or more	40 hours	49 hours or more	40 hours	49 hours or more
United States.....	2,288	999	215	8	20	14	38
Metropolitan areas.....	1,908	886	145	5	17	11	31
Nonmetropolitan areas.....	380	114	70	25	28	34	54
Northeast.....	642	268	43	5	5	9	14
South.....	620	246	92	18	36	28	61
North Central.....	649	282	64	4	12	11	28
West.....	377	204	17	3	8	7	13
Drugs, chemicals and allied products.....	128	57	9	9	10	16	19
Dry goods and apparel.....	92	38	2	9	26	21	34
Groceries and related products.....	385	136	56	18	32	23	50
Farm products—raw materials.....	83	20	15	18	26	25	57
Hardware and plumbing and heating equipment and supplies.....	102	50	7	7	16	14	32
Machinery, equipment and supplies.....	366	203	21	4	17	9	32
Miscellaneous wholesalers.....	776	330	74	6	16	13	31

⁹ *Motor Carriers, A Study to Evaluate the Need for and Feasibility of Extending Overtime Provisions to Employees of Motor Carriers, Submitted to the Congress January 1966* (U.S. Department of Labor, Wage and Hour and Public Contracts Divisions, 1966), tables 34 (p. 64) and 42 (p. 77).

¹⁰ For a more complete discussion including extensive statistical analyses see T. Aldrich Finegan, "Hours of Work in the United States, A Cross-Sectional Analysis," *Journal of Political Economy*, October 1962, pp. 452-470. For an international analysis of income and hours of work, see Gordon C. Winston, "An International Comparison of Income and Hours of Work" *The Review of Economics and Statistics*, February 1966, p. 28.

¹¹ For a more complete examination of postwar trends in paid leisure, see "Recent Growth of Paid Leisure for U.S. Workers," *Monthly Labor Review*, March 1962.

TABLE 6. PROPORTION OF LONG-HOURS EMPLOYEES WITH LOW STRAIGHT-TIME HOURLY EARNINGS, RETAIL TRADE, JUNE 1965

Characteristics	Number of employees (in thousands)				Percent with earnings under \$1.00			Percent with earnings under \$1.25		
	Total	40 hours	40-48 hours	48 hours or more	40 hours	40-48 hours	48 hours or more	40 hours	40-48 hours	48 hours or more
United States.....	6,687	1,662	1,092	1,267	2	5	10	9	17	22
Metropolitan areas.....	4,977	1,344	762	766	1	3	6	7	12	16
Nonmetropolitan areas.....	1,710	319	330	501	7	10	16	21	28	31
Northeast.....	1,752	431	240	218	(1)	(1)	1	5	4	5
South.....	1,884	402	385	503	6	11	21	20	31	41
North Central.....	1,865	428	307	334	2	3	4	10	14	14
West.....	1,186	401	160	212	1	1	1	3	5	6
Building materials, hardware, and farm equipment.....	489	114	119	164	1	2	4	4	8	13
General merchandise ²	1,647	495	176	104	1	10	17	10	28	31
Department stores.....	1,019	343	97	29	(1)	2	(1)	5	14	7
Limited price variety stores.....	277	61	27	10	6	25	29	32	53	41
Food stores ²	1,367	342	178	205	2	3	11	8	16	26
Grocery stores.....	1,151	285	160	163	2	3	12	7	16	26
Automotive dealers and gasoline service stations ²	1,270	199	317	490	2	2	10	7	9	22
Motor vehicle dealers.....	604	106	236	193	1	2	6	5	8	15
Gasoline service stations.....	476	54	38	222	6	5	15	13	18	32
Apparel and accessories ²	582	150	77	57	2	7	9	15	26	20
Men's and boys'.....	99	24	18	20	2	2	4	9	13	12
Women's ready-to-wear.....	215	55	22	9	3	14	20	20	41	42
Shoe stores.....	105	22	19	17	2	3	5	11	16	13
Furniture, home furnishings and household appliances ²	364	114	80	73	2	3	6	6	11	14
Furniture, home furnishings and equipment.....	232	71	53	46	2	4	6	5	12	16
Household appliances.....	79	26	18	18	3	2	5	7	7	10
Miscellaneous retail stores ²	968	249	146	175	4	9	12	13	26	22
Drug and proprietary.....	372	81	51	51	8	18	24	24	42	40

¹ Less than 0.05 percent.² Includes industries in addition to those shown separately.

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

consistent with the existing coverage of the Fair Labor Standards Act. Although the law has been amended several times to increase its scope, many sections of the economy still remain outside its protection.¹² The employees not covered by the FLSA are usually not covered by State statutes, either. Only a few States require premium payments for lengthy workweeks.¹³ Although definitive statistics are lacking, it seems clear that a relatively small proportion of employees covered by the FLSA are working 49 hours or more weekly while a much larger proportion of employees outside the scope of the act are working these hours at straight-time rates of pay. This supports the

conclusion that the penalty rates under FLSA (and collective bargaining) have tended to discourage the use of overtime.

Retail Trade

This conclusion can be tested further by reference to recent studies of hours worked in retail trade prior to and after the effective dates of the 44-hour and 42-hour standards. The data show a substantial increase in the employment of part-time employees, and a gradual reduction in the proportion of employees working beyond the newly effective standards. From June 1961 to June 1965, the proportion of employees in establishments covered by FLSA working over 44 hours declined from 16 percent to 13 percent. The proportion working over 42 hours has dropped from 22 percent to 16 percent as shown in the following tabulation:

Weekly hours of work	Covered			Uncovered		
	1961	1962	1965	1961	1962	1965
Under 35.....	28.1	30.3	33.7	28.3	28.4	31.3
35 to 40.....	45.3	46.2	44.3	27.0	27.0	29.4
Over 40 and under 42.....	4.8	4.8	5.8	3.2	3.4	3.2
Over 42 and under 44.....	6.1	4.8	3.6	6.0	6.1	5.7
Over 44 and under 48.....	9.0	8.0	6.3	16.8	16.7	14.5
Over 48.....	6.8	6.1	6.4	18.6	18.4	16.0

¹² About 17.5 million workers currently are not covered, 38 percent of all nonsupervisory employees. In addition, a number of specific exemptions from the hours standard are provided for certain industries or parts of industries, in some cases only for peak seasonal periods. Taken together, the statute fails to cover many large groups of employees, particularly in trade and service industries. Pending legislation would cover an additional 7 million workers in 1967 and 1969.

¹³ Although 35 States and the District of Columbia have enacted minimum wage statutes, only 23 of them include any limitations or standards for overtime hours worked. Of these, only 15 and the District of Columbia require, by law or by wage order, the payment of premium pay at a rate of time and one-half the regular rate for work after a certain number of hours worked per week. Even for these States, the overtime provision is often limited in coverage, applies only to women and minors, or is effective only after 48 hours.

Sharper declines were noted among employees of drug, apparel, and limited price variety stores. Little change in hours took place among employees of furniture, appliance, and other retail stores where a large proportion of sales employees work on a commission basis and continue to be exempt from overtime provisions of the act.¹⁴

A similar drop in the proportion of long-hours employees took place among employees in the smaller stores which make up the section of the industry not covered by the new hours standards. The fact that reductions in worktime have been industry wide suggests that either the rapid transfer of new practices induced by an hours standard or the presence of other factors such as the shift to the suburbs or the availability of part-time workers may be affecting the hours pattern for the industry as a whole.

If imposition of an overtime penalty does have the specific effect of reducing long hours of work, a critical question still remains: What will be the effect of such a reduction on the earnings of those affected? Conceivably, the net result of the hours reduction, together with the payment of overtime premiums for hours worked over 40 could range from a sharp increase in earnings for the individual whose hours were not reduced but whose earnings were substantially increased as a result of the

premium pay requirement to a sharp decrease for the individual whose hours were cut back to 40 without any offsetting increase in hourly earnings. The actual effect of imposing an hours standard could be expected to depend upon a number of factors, including conditions in the product market, the relative availability and costs of additional labor or capital inputs, and possible improvements in technology. To provide a better basis for public policy, however, more needs to be known about the characteristics of employees working long hours and the reaction of employers to the imposition of an hours standard. An additional survey of wages and hours in retail trade with information for a June 1966 payroll period will provide a better basis for judging the effect of the 40-hour standard, effective in September 1965. Other studies will be necessary to explain more clearly the persistent rise in the number and proportion of employees working long hours, an incongruous phenomenon in today's leisure-minded world.

¹⁴ *Retail Trade: A Study to Measure the Effects of the Minimum Wage and Maximum Hours Standards of the Fair Labor Standards Act, Submitted to the Congress January 1966* (U.S. Department of Labor, Wage and Hour and Public Contracts Division, 1966), pp. 36-44 and appendix tables. For a discussion of the impact of the 44-hour standard, see Myron Joseph, "Hours of Work Issues" the National Commission on Technology, Automation, and Economic Progress, Appendix, Vol. II, pp. 340-341.

The country is ready for the 5-day week. It is bound to come through all industries. . . . The short week is bound to come, because without it the country will not be able to absorb its production and stay prosperous.

We think that, given the chance, people will become more and more expert in the effective use of leisure. And we are giving the chance.

But it is the influence of leisure on consumption which makes the short day and the short week so necessary. The people who consume the bulk of goods are the people who make them. That is a fact we must never forget—that is the secret of our prosperity.

People who have more leisure must have more clothes. They must have a greater variety of food. They must have more transportation facilities. They naturally must have more service of various kinds.

—"The 5-Day Week in the Ford Plants," *Monthly Labor Review*, December 1926, pp. 1162-1166.

Representation Among Teachers

The Exclusive Recognition Principle Is Being Measured Against Other Alternatives For Collective Bargaining in Education

MICHAEL H. MOSKOW*

SINCE THE PASSAGE of the National Labor Relations Act in 1935, exclusive recognition has been accepted as one of the basic principles of collective bargaining in the private sector. It was felt that a single representative of all employees in a particular bargaining unit was necessary in order to have effective collective bargaining.

Prior to the passage of the Wagner Act, employer associations were usually opposed to exclusive recognition and unions were usually found arguing the other side of the case. Because of its wide acceptance and utilization, however, exclusive recognition is merely mentioned in today's textbooks, and there is rarely any explanation of its purpose and function.

Many other forms of representation have developed recently in public education, and the pros and cons of exclusive recognition are once more being debated. The difference is that today the discussants are school boards, educational administrators, and teacher organizations.

Application to Public Education

Several problems arise in attempting to use exclusive recognition in public education. First, since great variety exists among the States in terms of the degree of State control and State support of public education, it is difficult to make sweeping generalizations. In States where many decisions affecting the salaries and working conditions of teachers are made at the State level, exclusive recognition at the local level loses much of its significance. Although an exclusive representative may be chosen at the local level, his

actual benefit to the teachers will be limited. When the scope of decisions made at the local level is too small for any meaningful negotiations to take place, exclusive representation at the local level will probably not be crucial to effective representation for the teachers.

On the other hand, in States where local school boards exercise considerable autonomy in setting the salaries and working conditions of teachers, meaningful negotiations can be conducted at the local level. In all States, however, many more decisions affecting the working conditions of teachers are made at the State level than is the case with private employees. Thus, exclusive representation at the local level will have to be supplemented by other mechanisms at the State level. In addition, organizations serving as exclusive representatives on the local level will have to coordinate their efforts with State-level organizations.

Second, since teachers are public employees, rights of individuals and minority organizations will be stressed to a greater extent than in private employment. The right of any citizen or group of citizens to petition their government cannot be abridged, and in establishing any system of representation in public employment, these rights should be stressed. School boards will have to give specific guarantees that any employee or mi-

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nority organization may make a statement to the board even though an exclusive representative has been chosen.

Third, it appears that in some States negotiated agreements which limit an employee's choice of a representative in a grievance procedure may be declared illegal. Where grievance procedures are provided by State law, any negotiated procedures will have to be subject to the legislative framework.

Fourth, since no legislation has been passed regulating the internal structure of teacher organizations, it would most likely be desirable to establish school board policies or to formulate codes of ethics guaranteeing a voice to all employees in the unit of representation.

Obviously, the precise implementation of the above modifications will depend upon the various State legislative frameworks and on the wishes of the parties. It does appear, however, that in some cases, a modified form of exclusive recognition is viable in the environment of public education.

The Position of the NEA

In 1963, the NEA did not require its local affiliates to be the exclusive representative of all teachers in their respective school districts in order for them to be engaging in professional negotiations. The sample Level I and Level II negotiation agreements contained in the 1963 edition of the NEA's *Guidelines for Professional Negotiation* consisted of two different types of agreements. In each case one agreement was a school board policy which recognized any organization of employees, and the other agreement was a board policy recognizing one association of employees. The first two paragraphs of the agreements on both Level I and Level II recognizing any association were as follows:

The Board of Education of — recognizes that certified employees are free to join organizations that are compatible with the law of — and that exist for the benefit of the teaching profession and for the individual teacher. The Board encourages every teacher to join the organization of his choice.

The Board of Education of the — will hear and consider the representations and proposals of organized employee groups providing they have on file in the district office a notarized statement which shall include: (a) name and business address of the orga-

nization, (b) purpose of the organization, (c) direct affiliations maintained by the organization, (d) list of current officers of the organization, (e) statement of current number of employee members of the organization, (f) statement of financial support for organization, whether by dues, contribution, grants, or other.¹

Thus, the association classified as professional negotiation a general school board policy statement which established a procedure for recognizing employee organizations, but named no specific representative of the teachers. Some locals were merely recognized by the school board as the representative of their members, and this is far different from any kind of meaningful negotiations taking place.

In addition, dual and proportional representation were considered professional negotiation. Mt. Diablo, Calif., had a Level I professional negotiation agreement in this category; San Bruno Park, San Mateo, and Placentia Unified, Calif., Vigo County (Terre Haute), Ind., and Portsmouth, Ohio, had Level II professional negotiation agreements in this category. Howell, Mich., had a Level III professional negotiation agreement that named no specific employee organization.

Cahokia, Ill., and Gary, Ind., had professional negotiation agreements, while the AFT locals had collective bargaining agreements in the same school districts. Dearborn, Mich., had proportional representation, yet this too was considered professional negotiation.

The NEA changed its policy on recognition at its 1965 convention. A new edition of its *Guidelines for Professional Negotiation* was approved which advocated exclusive recognition as a fundamental element of professional negotiation.

It is a fundamental principle of professional negotiation that the teachers organization which has majority support should have exclusive recognition rights. This is particularly important when there is more than one local organization. In some districts local units of the American Federation of Teachers, AFL-CIO, are competing with NEA affiliates. Only one of these organizations can negotiate effectively for the professional staff.²

¹ National Education Association, Office of Professional Development and Welfare, *Guidelines for Professional Negotiation* (Washington, National Education Association, 1963), p. 28.

² National Education Association, Office of Professional Development and Welfare, *Guidelines for Professional Negotiation*, Revised Edition (Washington, National Education Association, 1965), p. 12.

By early 1966, however, the NEA still classified local affiliates which had nonexclusive forms of recognition as engaging in professional negotiation. At the same time, the NEA considered the 1965 California statute which provided for proportional representation and the 1965 Oregon statute which provided for teacher councils to be "professional negotiation laws." Thus exclusive recognition does not appear to be a necessary element of professional negotiation as the latter term is used by the NEA.

Although acceptance of dual and proportional representation may harm NEA efforts to achieve professional negotiations in the long run, local leaders will usually be willing to accept proportional representation rather than have no representation whatever. One disadvantage of the NEA advocating dual and proportional representation is that it will become exceedingly difficult in the future to eliminate this type of representation from local school districts engaging in the practice.

The AFT Position

The AFT takes a position very similar to that of the NEA on the issue of exclusive recognition. Nationally, it advocates exclusive recognition for all local affiliates who desire to engage in collective bargaining.³ The AFT will accept, however, dual and proportional representation and refer to it as collective bargaining. For example, in the April 1964 issue of the *American Teacher* the headline read: "Chicago, Local One Wins Collective Bargaining." The article did not mention that the school board had merely recognized the Chicago Teachers Union as representative of its members, and that it had given similar recognition to the local affiliate of the NEA.⁴

The AFT considers the Gary Teachers Union in Gary, Ind., one of its strongest locals.⁵ The local is reputed to have been engaging in collective bargaining from 1960 to 1965, yet in reality a dual representation system existed in Gary which was quite different from exclusive recognition.

In Manchester, Conn., and Dearborn, Mich., AFT locals accepted proportional systems of representation. Here, too, the AFT may have difficulty in eliminating this type of representation once it becomes established. Thus, exclusive recognition is not an essential element of collective bargaining as practiced by the AFT.

On the basis of a study of 20 school districts in which negotiations were conducted, it was found that 16 had exclusive recognition while the other 4 districts had either dual or proportional representation. A detailed breakdown is given in the accompanying table.

It should be emphasized that recognition of an exclusive representative by the board of education gives no assurance that collective bargaining is actually taking place. Often a teacher organization is recognized informally as the representative of the teaching staff, and its only function is to make a salary proposal at an open meeting of the board of education.

Dual Representation

In two of the districts in which a system of dual representation was being utilized, the school board negotiated with representatives of both teacher organizations at separate times. The teacher representative negotiated only for members of their own particular organization, yet any agreement that was reached had to apply to all teachers in the school district. In both cases the school board signed a written agreement with both teacher organizations in the particular district. Although the terms and conditions of employment for all teachers in the district were identical, the written agreements exhibited marked differences.

In two other school districts which did not have exclusive representation, a system of proportional representation was utilized whereby a joint committee was formed which consisted of representatives of all employee organizations. Membership on the committee was set in proportion to the size of each organization.

In school districts which had representation systems other than exclusive recognition, there was general dissatisfaction among all participants over the duplication of time and effort in negotiations. In addition, the results of nonexclusive recognition were often chaotic.

One of the districts utilizing a system of proportional representation was Dearborn, Mich. In the school year 1959-60, both the Dearborn Federation

³ American Federation of Teachers, Executive Board Policy Statement, dated Sept. 4, 1964.

⁴ *American Teacher Magazine*, April 1964, p. 1.

⁵ American Federation of Teachers, *Convention Proceedings* (abridged), selected years, 1960-65 (Chicago, American Federation of Teachers, 1960-65).

of Teachers (DFT) and the Dearborn Education Association (DEA) were represented equally in negotiations with the superintendent. At that time the DFT decided to seek an election to choose an exclusive representative of all teachers. Consequently, they circulated petitions and received signatures of over 800 teachers who said they were in favor of a representational election.

The school board, however, was strongly opposed to any representation election. As a compromise measure, the board proposed a Classroom Teacher Negotiating Committee (CTNC) which would be organized on a proportional basis. For every 100 members or any part thereof each organization would be permitted to appoint one representative to the CTNC. The CTNC would then select five persons to negotiate with the superintendent and the board if necessary. The board permitted the CTNC to decide how the five-man final negotiating team would be selected.

In 1964, the CTNC was composed of 12 members. The DFT had eight representatives and the DEA four representatives. Since the CTNC chooses its final negotiating team by a majority vote, the final negotiating team was composed of five members of the Dearborn Federation of Teachers.

The CTNC met and attempted to formulate a common set of proposals. The five-man negotiating team was then given authority to come to agreement with the board of education within the general framework of the proposals of the CTNC.

Agreements with the school board were never submitted to the teaching staff for approval.

As would be expected, there was general dissatisfaction with the proportional representation plan. First, a great deal of time was spent on procedural matters. Entire negotiating sessions have been devoted to questions of how the CTNC would determine the final negotiating team or its alternate members. Second, from the DEA's standpoint the CTNC plan was completely unsatisfactory since the only part they would play in negotiations would be to make proposals at meetings of the CTNC. They were not kept informed on developments in the actual negotiations with the school board. In fact, at times the DEA did not even know that negotiating sessions were taking place. For all practical purposes, the negotiations were completely dominated by the DFT.

Both the teacher organizations and the administration felt that because of the above difficulties, eventually the CTNC would evolve into a formal system of exclusive representation as opposed to the de facto system which was in current use.

Minority Rights

In most instances, it has been concluded that boards of education could not deny any organization or any individual the right to make a statement to the board. When formal bargaining took place, questions soon arose as to the rights of minority organizations in the districts studied.

COMPARATIVE ANALYSIS OF 20 SCHOOL DISTRICTS STUDIED BY THE AUTHOR, 1964

Name of district	No. of teachers	Exclusive recognition	AFT, NEA, or both	Dual representation	Proportional representation	Fiscally independent	Principals in units of representation	Principals' salaries negotiated by agent of teachers	Principals in organization representing teachers
Abington, Pa.....	550	Yes	N			Yes		No	Yes
Cahokia, Ill.....	275		B	Yes		Yes		No/Yes ¹	No/Yes ¹
Dearborn, Mich.....	1,200		B		Yes	Yes		No	No/Yes ¹
Denver, Colo.....	3,800	Yes	N			Yes		No	No
East Hartford, Conn.....	500	Yes	N			No	Yes	Yes	Yes
Eau Claire, Wis.....	450	Yes	A			No		Yes	Yes
Elgin, Ill.....	750	Yes	N			Yes		No	Yes
Gary, Ind.....	1,850		B	Yes		Yes		No	No/Yes ¹
Manchester, Conn.....	450		B		Yes	No		No	No/Yes ¹
Maywood, Ill.....	200	Yes	A			Yes		No	No
Milwaukee, Wis.....	4,300	Yes	N			Yes	No	No	No
New Rochelle, N.Y.....	450	Yes	N			Yes	No	No	Yes
New York, N.Y.....	46,000	Yes	A			No	No	No	Yes
Norwalk, Conn.....	750	Yes	N			No		No	Yes
Plainview, N.Y.....	500	Yes	A			Yes	No	No	No
Proviso, Ill.....	350	Yes	A			Yes		No	No
Union County Regional, N.J.....	270	Yes	N			No		No	No
Wallingford, Conn.....	400	Yes	N			Yes		No	Yes
Wetherfield, Conn.....	450	Yes	N			Yes	Yes	Yes	Yes
Willingboro, N.J.....	200	Yes	N			No		Yes	Yes

¹ Two organizations negotiating for teachers.

In New York City, when any other organization or individual made a presentation to the board of education, the exclusive representative retained the right to be present at such a hearing. In addition, the UFT negotiated a clause which prevented an officer of any minority organization from representing an employee in the grievance procedure. Article 6, section 6d of the agreement was as follows:

No officer or executive board member, delegate, representative, or agent of a minority organization shall represent the agreed employee at any step in the grievance procedure. An agent shall include any person who, acting in an official capacity for a minority organization, regularly performs for that organization such acts as: distributing literature, collecting dues, circulating petitions, soliciting membership, or serving regularly as spokesman at teacher meetings. An agent shall not include any person who performs such duties occasionally or without any official designation by the minority organization involved. The minority organization shall mean any organization other than the union, which exists or acts for the purpose of dealing with the head of the school or any other school official, improvement of working conditions, or the handling of grievances, of employees in the bargaining unit.⁶

The agreement between the New Rochelle, New York School Board and the New Rochelle Teachers Association contained the following clause of a similar nature:

Any party in interest may be represented at all meetings and hearings at all steps and stages of the grievance and arbitration procedure by another teacher or by another person. *Provided, however:* That the party in interest may in no event be represented by an officer, agent, or other representative of any teacher organization other than the New Rochelle Teachers Association.⁷

The above two provisions have been superseded by section 603-a, article 16, of the General Municipal Law of New York State, passed in 1964.

Every public school teacher shall have the right to present his grievance to his employer in accordance with the provisions of this article, free from inter-

ference, coercion, restraint, discrimination or reprisal, and the grievance procedure established under this article shall provide the right to be represented at all stages thereof and the representative shall be designated by the public school teacher at the time he presents his grievance or at a subsequent date.⁸

In a 1965 case decided by the Supreme Court of New York State, section 603-a has been interpreted as guaranteeing the public school teacher ". . . not only a right, but also an unlimited right to designate any person of her own choosing to represent her at all stages of a grievance procedure."⁹

Section 603-a was sponsored by the City Teachers Association, the NEA affiliate in New York City, apparently because the provision negotiated by the UFT prevented CTA officers from representing teachers in the grievance procedure. In 1963, the CTA had unsuccessfully attacked this provision in a proceeding before the Commissioner of Education of the State of New York.¹⁰

In Milwaukee, Wis., after the Milwaukee Teachers' Education Association won a representation election, questions arose as to the right of the Milwaukee Union of Teachers to a checkoff, to the use of bulletin boards in the school, and to the making of presentations to the board of education. The Wisconsin Employment Relations Board ruled in March 1966 that municipal employers may grant the above rights to minority organizations.¹¹

⁶ *Agreement Between the Board of Education of the City of New York and United Federation of Teachers, Local 2, American Federation of Teachers, AFL-CIO Covering Classroom Teachers, July 1, 1963-June 30, 1965* (New York, City School District of New York, no date), p. 28.

⁷ *Principles Governing Relationships Between the Board of Education of the City School District of New Rochelle and the New Rochelle Teachers Association* (New Rochelle, N.Y., City School District of New Rochelle, Nov. 24, 1964), reprinted as *The New Rochelle, New York Professional Negotiation Agreement* (Washington, National Education Association, no date), p. 2.

⁸ *General Municipal Law of New York State*, art. 16, sec. 603-a.

⁹ *Mauer v. Gross*, 45 Misc. (2d) 13,256 nys (2d) 2 (1965).

¹⁰ Commissioner of Education of the State of New York, Case No. 7262, Aug. 13, 1963.

¹¹ *Milwaukee Board of School Directors, Declaratory Ruling*, Decision No. 6833-A, Mar. 24, 1966.

The UAW's 20th Constitutional Convention

ROSE T. SELBY*

THE UNION'S DETERMINATION to abolish the hourly rate system dominated the 20th Constitutional Convention of the United Auto Workers, held at Long Beach, California, May 16-21. Solution of the special problems of the skilled trades, and parity for both Canadian workers and for those in small parts plants were other major goals adopted by the 2,470 delegates, representing 769 locals of the largest affiliate of the AFL-CIO.

In addition to these issues, President Walter P. Reuther emphasized the importance of the union's support for and stake in implementation of the Civil Rights Act and the poverty programs. These two issues were major themes in a telephoned speech by President Johnson to the convention, and in an address by Secretary of Labor W. Willard Wirtz, at a special ceremony celebrating the UAW's 30th anniversary.

Salary System

Endorsed at the last convention, achievement of a salary system appeared to be the paramount concern of the 1966 convention. Mr. Reuther asked the union to "nail down" a pledge that "in 1967 . . . we will not sign a basic agreement except as it contains the guaranteed annual salary for the production and maintenance workers of this union." This has been a goal of the union since 1955. During that time, the supplementary unemployment benefits plan was negotiated; the plan was later expanded to include short workweek benefits to a point where (under typical plans) workers may receive 80 to 90 percent of their

weekly wages. With SUB and fringe benefits similar to those received by salaried workers, Mr. Reuther stated, "the gap between salaried and wage status has been so narrowed already as to demonstrate the feasibility of taking the remaining short step to full salary status for blue-collar workers." President Reuther also quoted from the recent report of the National Commission on Technology, Automation and Economic Progress, of which he was a member: "We see little justice in a system whereby a production worker is laid off or works 'short weeks' when the schedule so dictates, while office workers and clerks receive full salaries, whatever the flow of work."

Parity

The second key demand—abolishing the wage differential between Canadian and U.S. auto workers—evoked vigorous support by the convention. In stressing the importance of this goal, Mr. Reuther stated that, "The negotiation of the U.S.-Canadian automotive trade agreement eliminates the last vestiges of the excuses heretofore given for the differential in wages . . ." for workers ". . . for the same companies, at the same jobs producing the same products for the same market." Looking further toward a single master agreement covering each company operating in the United States and Canada, he pointed out that, because of differences in legislation between the two countries, intensive study will be required.

A related objective, wage and fringe benefit parity and job security for members employed by parts suppliers and other small companies, was placed on the priority list for the 1967 negotiations. This section of the collective bargaining resolution also received strong support in the convention. The program outlined included:

A pooled plan to make SUB protection possible.

A preferential hiring system for laid-off workers, covering all companies in the industry and area.

Support of a proposed legislation to provide public reinsurance for private pension plans.

Creation of a labor-management research institute, to include among its activities research into diversification of the products of smaller companies and pooling of their equipment.

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More Bargaining Issues

The special problems of skilled trades workers were recognized in a proposal to amend the contract ratification procedure of the constitution to permit skilled trades workers, engineers, technicians, and office workers to "vote separately on contractual matters common to all and, in the same vote, on those matters which relate exclusively to their group." The proposal evoked considerable discussion before it was adopted.

In answer to the concern of some delegates over participation by minority groups in contractual matters involving production workers only, Mr. Reuther pointed out the need for united action by the skilled trades and production workers, and recalled the lengthy 1939 tool and die makers strike, resulting in agreements covering 47 GM plants, at a time when it was considered impractical to call a strike of production workers. Meetings were to be held in June of this year to deal with the joint problems of skilled and production workers, and to evolve plans for better communications between the two groups.

President Reuther reiterated his demand for wage increases and improved fringe benefits to be paid out of the increased productivity and "not out of the pockets of the American consumers through higher prices." He was critical of the Council of Economic Advisers' wage-price guideposts, calling such a policy "wrong in principle;" its application "grossly inequitable;" and, further stating ". . . when the method used . . . fails to produce the results the Council wants, it is arbitrarily cast aside." He also called on the auto industry to reduce prices of cars and trucks by \$100 to \$200 to stimulate sales and counteract inflationary forces, stating that the industry could do this and still have higher earnings than most industries. Liberalization of the escalator-improvement factor wage formula was again called for.

Adoption of Federal legislation regulating automobile design and inspection safety standards was also urged.

The International Executive Board was also directed to devote intensive study, prior to a 1967 Special Collective Bargaining Convention, to:

1. Special problems of technical, office, and professional workers, particularly erosion of their bargaining units.

2. Transfer of blue-collar workers to white-collar jobs.
3. Application of attrition to adjust to reduced work force requirements resulting from technological advance.
4. Civilization and humanization of working conditions.
5. Overtime.
6. Shorter workweek (added by vote of delegates).
7. Coordinated bargaining with multiplant companies having multiunion representation.

A resolution aimed at worldwide coordinated bargaining with corporations operating plants in other countries was adopted and is to be implemented over a number of years. The first International Metalworkers Federation international corporation councils in the automobile industry convened in Detroit on May 31, to explore plans for eventual worldwide bargaining. Priority goals were international equalization of fringe benefits and harmonization of wages.

Internal Affairs

For the first time, a woman was elected to the International Executive Board; this was made possible by an amendment to the constitution which added a fourth member-at-large and increased the Board's membership from 25 to 26. Miss Olga Madar, Director of the Union's Recreation Department for 19 years and the administration's choice, was elected in a rollcall vote. She had been challenged by the Recording Secretary of Canadian Local 22, Miss Beverly Gibson.

The four top officers were reelected by acclamation—President Reuther, Secretary-Treasurer Emil Mazey, and Vice-Presidents Leonard Woodcock and Pat Greathouse.

Another constitutional amendment raised salaries in two steps, as follows:

	Present	Jan. 1967	Jan. 1968
President.....	\$28,000	\$28,750	\$29,500
Secretary-Treasurer.....	24,000	24,750	25,500
Vice-Presidents.....	22,500	23,250	24,000
Other Executive Board members.....	18,500	19,250	20,000
International representatives.....	11,139	11,660	12,160

The union reported a membership increase of 157,329 over 1964, bringing the average dues-paying membership to 1,326,136—the highest level since 1955.

The financial condition of the union, Secretary Mazey reported, "continues to be good, due princi-

pally to increased membership that reflects record-breaking production in the auto and agricultural implement industries." Net worth of the union exceeded \$73.4 million as of March 31, 1966. The strike fund totaled \$42.9 million. Because of the union's sound financial condition, no increase in monthly dues was requested.

The convention approved the six members of the Public Review Board proposed by Mr. Reuther, to serve until the next convention. Msgr. G. Higgins replaced the late Rabbi Morris Adler as chairman; two new members—Rabbi Jacob J. Weinstein and Professor Robben Wright Fleming—filled vacancies created by resignations.¹ President Reuther paid tribute to Rabbi Morris Adler, chairman of the PRB from its founding until his tragic death earlier this year.

Retired members were granted a "bill of rights" in a constitutional amendment, which provided that: "Each member of the International Retired Worker Advisory Council shall automatically be a delegate to the UAW Constitutional Convention with voice . . . and one (1) vote . . ." Local union Retired Worker Chapters, Area and Regional Councils, and an International Advisory Council are to be established. A \$1 voluntary dues payable by retired workers was voted upon to assist in financing these activities.

Resolutions and Visitors

Breaking new ground, the foreign policy resolution adopted by the Convention favored admission of Red China into the United Nations, stating, however, that "this in no way implies approval of Red China's policies," but that "it is

reasonable to hope that this would reduce Red China's truculence in world affairs." Introduced in the closing hours of the convention, the resolution rejected withdrawal from Vietnam or further escalation of the war, and urged continued and intensified efforts for a negotiated peace.

A new era of renewed cooperation between the UAW and the Steelworkers was evidenced by the appearance of the Steelworkers President, I. W. Abel, and by pledges of cooperation exchanged by the two leaders. Mr. Reuther plans to address the Steelworkers convention in September, his first appearance since 1952.

Another union leader, President P. L. Siemiller of the Machinists, addressed the convention and pledged continued cooperation with the UAW. Mr. Siemiller cited the joint IAM-UAW bargaining conferences in the aerospace industry.

A resolution pledging the UAW's continued support to the National Farm Workers Association in the Delano grape strike was enthusiastically adopted, after a demonstration by 35 strikers was led around the convention hall by Cesar Chavez, president of the NFWA.

President Lyndon B. Johnson was awarded the UAW's Social Justice Award. In a tribute to Mr. Reuther, on his 20th anniversary as UAW President, the convention unanimously voted to contribute \$1,200,000 toward the construction of a new archives building on the campus of Wayne State University. The Walter P. Reuther Library and Labor History Archives will be used to house historical material of the UAW and other unions.

¹ The other members of the PRB are: Dr. Henry Hitt Crane, Judge George N. Leighton, and Dr. Jean T. McKelvey.

"If we made an income pyramid out of a child's blocks, with each layer portraying \$1,000 of income, the peak would be far higher than the Eiffel Tower, but almost all of us would be within a yard of the ground."

—Paul A. Samuelson, quoted in *Rich Man, Poor Man*.

State, County, and Municipal Employees' Biennial Convention

DONALD C. KAY*

DELEGATES TO THE 1966 CONVENTION of the American Federation of State, County and Municipal Employees (AFSCME, AFL-CIO), meeting in Washington, D.C., April 25-29, focused their almost undivided attention on a variety of administrative and operational matters. There was none of the bitter political contests between pro- and anti-administration factions that marked the meeting of 1964.

An increase in per capita tax, a controversial issue in the past, was approved with little debate. President Jerry Wurf was reelected without opposition, although in 1964 he won by a mere 21-vote margin. And the union's membership was reported to have reached a new peak, continuing its outstanding record of growth since 1936, when the organization was chartered.

Union Growth

Secretary-Treasurer Gordon W. Chapman reported that AFSCME membership had increased each year (with the exception of 1951) since the union was chartered in 1936, and totaled 320,595 in March 1966. Since the 1964 convention, the increase was 22 percent—a rate of growth five times that of the rest of the labor movement, and the fastest in the AFL-CIO. This growth took place despite interunion raiding of membership which had rocked the union when dissident key

staff members (including an assistant to former president Arnold Zander) had joined another union after Wurf's election in 1964. Mr. Wurf noted that, for the first time in 10 years, the union's growth rate exceeded that for public employment. Union officials optimistically forecast that the continued growth of public employment gave the AFSCME a membership potential that could eventually make it the largest AFL-CIO affiliate.

Mr. Wurf cited three significant events of recent years which have given public employees broadened organizational rights:

While [Executive Order No. 10988] is full of faults and shortcomings, it laid down a philosophical basis for trade unionism in the public service. It means as much to public employees, be they Federal, local, or State, as the Wagner Act [meant] to workers in private industry . . .

. . . In addition, the long overdue reapportionment of State legislatures is serving to replace outmoded, reactionary resistance to public service unionism with a new willingness to meet with labor and seek constructive agreements.

. . . A flock of laws [have been] passed in many States, which have given us rights that men in this room wouldn't have dreamed were possible 10 years ago: The right to organize freely, . . . the right to join together, the right to petition for an election, the right to exclusive representation, and the right to sit down at the bargaining table and bargain those rights.

Still another avenue for increasing membership, as seen by the AFSCME, is the merger with public employee associations long active in a number of States and municipalities. The executive board called for seizing these opportunities should they arise. Consequently, the convention amended the constitution to authorize the president ". . . to negotiate and consummate . . . mergers of consolidations with organizations representing public employees . . ."

Consistent with the union's organizational program, the convention approved expenditures to expand the organizational department, to recruit and train members for full-time staff positions, to provide expanded educational and research services, and to increase the headquarters staff and the size of the union's monthly publication, *The Public Employee*.

*Division of Industrial and Labor Relations, Bureau of Labor Statistics.

New Constitution

The 1964 convention established a commission to revise the constitution, primarily to improve the administrative mechanism of the union. This commission completed its work in May 1965, when a special convention adopted a new constitution. The major changes included a provision for 16 legislative districts and new procedures for the election of district vice presidents, creation of a judicial panel, and establishment of more stringent administrative reporting requirements. The convention reviewed the union's operation under the new constitution during its first year, especially with respect to these three areas.

President Wurf initiated these changes to fulfill campaign pledges of "democratic procedures, local autonomy, cleanliness, and decency in the administration of the union." These changes were points of contention between former president Zander and Wurf at prior conventions.

In contrast to the previous constitution, which had provided for the election of 11 vice presidents at large by all convention delegates, the new constitution established 16 vice presidencies (one for each legislative district) and provided that vice presidents be elected solely by convention delegates from the district. This arrangement resulted in seven election contests at the convention, two of which required further runoff since no candidate received a majority of the votes. The elections, however, were not marked by the kind of factionalism that was apparent at previous conventions.

The new AFSCME judicial panel is the supreme judicial body in the union; appeals from it can be made only to the biennial conventions. This panel hears appeals from decisions of subordinate trial bodies, as well as charges originating at the international level. The panel consists of seven union members, chosen by the international executive board, who cannot be members of the international executive board or salaried employees. It assumes the judicial function previously held by the international executive board. In the course of its work, the panel is to review the union's disciplinary procedures and is authorized to submit proposals for change to the convention.

The constitution was changed to require all departments—the secretary-treasurer, for exam-

ple—to submit reports of their activities to the international executive board. This requirement reflects an attempt to prevent the kinds of financial difficulties that, according to Mr. Wurf, the union had experienced in the past. Upon assuming office, Mr. Wurf informed the delegates, he had found the union's debts to be "hundreds of thousands of dollars" greater than he had expected. The union had been sponsoring low and middle income nonprofit housing projects in California, Wisconsin, Massachusetts, New York, and Puerto Rico, for which it was financially liable under the National Housing Act. Accounting records for these projects were incomplete, said Mr. Wurf, and some records for cash transactions were not located. These housing operations have since been transferred to other organizations, lifting from the union a liability for \$20 million in mortgages and property.

Per Capita Tax Increase

The minimum per capita tax of 65 cents a month had not been increased since 1956, largely because the administration's attempts to do so had been thwarted by factions within the union. The result of this continued opposition, according to former president Zander, was to hamper the union's operations and organizational efforts. During the 1960-62 period, the AFSCME borrowed money from the United Auto Workers and the Steelworkers, among others, to meet operating expenses.

The convention quickly moved to remedy the union's financial situation by voting a two-step increase of per capita tax to \$1. The increase will raise the union's annual revenue by more than \$800,000, according to union officials.

In a related action, the convention raised President Wurf's salary from \$21,000 to \$27,500, and that of Secretary-Treasurer Gordon W. Chapman from \$16,000 to \$22,500.

Bargaining and Strikes

The convention adopted the board's "Collective Bargaining Policy Statement" of last February, which said, in part: ". . . strikes are as much of a hardship to the community as to the strikers and they must be used as a last resort. . . . [The]

AFSCME asserts the right of all public employees . . . except for police and other law enforcement officers, to strike, for to forestall this right would be to nullify the free collective bargaining process."

Secretary of Labor W. Willard Wirtz took issue with this pro-strike view in his remarks to the convention. In response, President Wurf, reasserted that the strike weapon was not to be used indiscriminately. Both agreed, however, that mediation and factfinding had a place in public employee bargaining and deplored repressive anti-strike measures that gave no alternatives to the strike. The executive board was also unequivocal in its rejection of compulsory arbitration. As Mr. Wurf said, "we have found that it is not possible to solve our problems by arbitration."

General Resolutions

The delegates passed resolutions against wage-price guidelines supported by the Council of Economic Advisors, branding them as "unrealistic and unworkable" and emphasizing that many wage rates in State and local employment are far below those paid for comparable work in private employment. Resolutions were also passed in opposition to section 14(b) of the Labor Management Relations Act, discrimination in employment, lie detector employment tests, and New York State's Condon-Wadlin Act. Other resolutions passed unanimously favored liberalization of the minimum wage law, urging an increase to \$2.00 per hour and extension of coverage to noncitizen employees of the United States, as in the Panama Canal Zone.

Lack of initiative, compartmentalization, feelings of dependence . . . go hand in hand with an appreciable easing of both the physical burden of work and an increase in material benefits. . . .

During the course of the last decades, workers have learned that increasing material benefits and a much greater amount of social security were not accompanied by greater equality on the job. Whatever may have been changed in the organization of the group in command of the enterprise, the workers' visions which had the least chance of realization were those colored by any type of egalitarian ideology. Expectations of more egalitarian working conditions faltered when faced with the realities of the industrial situation. In this respect, it seems significant that . . . a majority of American workers would not choose again the type of work in which they are engaged now.

—Otto Kirshheimer, "Private Man and Society," *Political Science Quarterly*, March 1966.

Special Labor Force Reports

I. Employment of School Age Youth, October 1965

FORREST A. BOGAN*

GAINS IN EMPLOYMENT and declines in unemployment during 1965 combined to make the year one of the best in employment for young people in almost a decade. Over a million more persons 14 to 24 years old were working in October 1965 than a year earlier. Employment of students rose by 700,000 over the year as the student population increased and as more students were attracted to the labor force. For nonstudents, the 400,000 increase in employment resulted from a decline in the number unemployed and modest increases in population and in labor force participation rate. As a result of the decrease in the jobless rate for youths no longer in school, the traditional relationship between unemployment rates of students and nonstudents was reversed in October 1965; the rate among youths in school (8.3 percent in 1965) did not change materially, while the comparable rate for those out of school fell to 7.6 (from 9.7) percent.¹

Greater proportions of school-age youth are staying in school and postponing the age at which they enter the full-time labor force; 56 percent of the 32.8 million school-age youth were enrolled in regular schools in October 1965. Among the many Federal, State, and local programs designed to encourage youths to stay in school are the Neighborhood Youth Corps, the Vocational Education Act of 1963, the Elementary and Secondary School Act of 1965, and the Higher Education Act of 1965.

Students

Of the students 14 to 24 years old, both the number in the labor force and the number employed increased sharply between October 1964 and October 1965. About 5.1 million students were work-

ing or looking for work in 1965 (750,000 more than year earlier); their labor force participation rate rose to 28 from 25 percent. Only one-fourth of the increase in the labor force rate is accounted for by a rise in the proportion of students in the older group—18 to 24 years old—which has a higher rate than the younger students. Economic expansion during 1965 was responsible for attracting additional students to the labor force. The 1964-65 rise in the student labor force was as great as the gain between 1961 and 1964 (table 1).

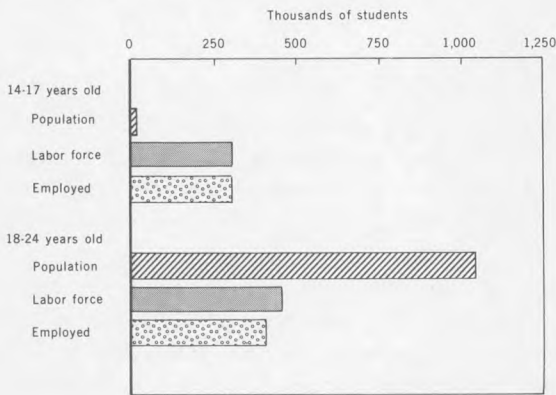
Employment of students rose by 700,000 over the year to 4.7 million. (The Neighborhood Youth Corps accounted for 80,000 of the increase.) Nearly all of the over-the-year increase in employment was among white persons as employment and unemployment for nonwhite students did not change significantly. The unemployment rate for nonwhite students (16 percent) was as usual double that for the white students. Overall, the total number of unemployed students in October 1965 (425,000) and the student unemployment rate (8.3 percent) were about the same as a year earlier.

Young people tend to be attracted to the labor force when economic activity increases. The increase between October 1964 and October 1965 in the number of students 14 to 17 years old in the labor force resulted from a rise in their labor force participation rate rather than a gain in the population enrolled in school (chart 1). The labor force rate for these students increased over the year to 23.2 percent from 20.9 percent. The largest rate increase (to 37.2 from 32.5 percent) occurred

*Of the Division of Labor Force Studies, Bureau of Labor Statistics.

¹Data presented in this report relate to the civilian noninstitutional population in the calendar week ending Oct. 16, 1965. All members of the Armed Forces and inmates of institutions are excluded. The report is derived from supplemental questions to the October 1965 monthly survey of the labor force conducted by the Bureau of the Census for the Bureau of Labor Statistics. Previous survey findings were published in the *Monthly Labor Review* issues of July 1960, July 1961, June 1962, August 1963, July 1964, and July 1965, and reprinted with additional tabular material as Special Labor Force Reports Nos. 6, 16, 22, 34, 42, and 55, respectively. Reprints of all articles in the series are available upon request to the Bureau or to any of its regional offices.

Chart 1. Increase of Students in Population and Labor Force, October 1964 to October 1965



among the 16 and 17 year-old boys; the participation rate for the girls in the age group increased by a similar amount (to 26.0 from 22.7 percent). Employment of 14 to 17 year-old students has risen from three-fourths million since 1961 to 2.8 million, with 300,000 of the gain in the year ended October 1965. The over-the-year increase was equally divided between boys and girls.

Among the older students (18 to 24 years old), the labor force has increased by 750,000 since 1961. Over one-half of this growth occurred in 1965 and is attributable in large part to the rise in both the population 18 and 19 years old and the proportion in school. Because job opportunities have been sufficient to absorb nearly all of the large increase in the labor force, the unemployment rate for this group did not rise significantly over the year.

Occupation and Hours

There is a noticeable difference in the employment experience of the younger and older students. The latter's age and maturity, additional education, and (possibly) more work experience help older students in holding better jobs, working longer hours, and in being less likely to be unemployed than younger students. About 4 out of 10 boys 14 to 17 years old worked as farm and non-farm laborers in October 1965 and the same proportion were sales (newsboys) and service workers. Half the men 18 to 24 years old were white-collar workers, primarily in the professional

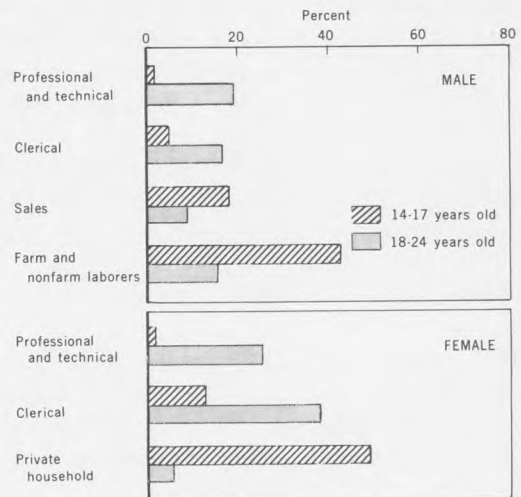
and technical and in the clerical occupations; 2 out of 10 were operatives (chart 2). Half the girls 14 to 17 years old were private household workers (mainly babysitters), and one-fourth were clerical and sales workers. Few of the older girls were private household workers; two-thirds were clerical or professional and technical workers.

Older students were not only more likely to be in the labor force than younger students, but they also averaged more hours on their jobs. About 70 percent of the students 14 to 17 years old worked less than 15 hours a week on their nonfarm jobs; very few worked 35 hours or more. On the other hand, among students 20 to 24 years old, many of whom attend school part time, only about one-fourth worked fewer than 15 hours a week and about half worked 35 hours or more. Women tended to work somewhat fewer hours than the men in comparable age groups.

Unemployment

The unemployment rate of students 14 to 24 years old has historically been below that for young people out of school. In the past few years, however, the difference between the two rates has narrowed as increasing proportions of out-of-school youth have completed at least high school.² (High school graduates generally have lower unemployment rates than dropouts.) Between October 1964 and October 1965, the unemployment

Chart 2. Selected Occupations of 14 to 24 Year-Old Youths Enrolled in School, October 1965



² See Harvey R. Hamel, "Employment of High School Graduates and Dropouts in 1965," *Monthly Labor Review*, June 1966, pp. 643-649.

TABLE 1. EMPLOYMENT STATUS OF STUDENTS AND NONSTUDENTS 14 TO 24 YEARS OLD, BY AGE, AND SEX, OCTOBER 1961-65

[Numbers in thousands]

Enrollment status, sex, and employment status	14 to 24 years					14 to 19 years					20 to 24 years				
	1965	1964	1963	1962	1961	1965	1964	1963	1962	1961	1965	1964	1963	1962	1961
ENROLLED IN SCHOOL															
<i>Male</i>															
Civilian noninstitutional population	9,861	9,228	8,947	8,421	7,863	8,302	7,896	7,582	7,244	6,875	1,559	1,332	1,365	1,177	988
Civilian labor force	3,213	2,732	2,711	2,481	2,223	2,449	2,092	2,030	1,860	1,734	764	640	681	621	489
Labor force participation rate ¹	32.6	29.6	30.3	29.5	28.3	29.5	26.5	26.8	25.7	25.2	49.0	48.0	49.9	52.8	49.5
Employed	2,920	2,508	2,485	2,282	2,025	2,193	1,909	1,839	1,699	1,554	727	599	646	583	471
Unemployed	293	224	226	199	198	256	183	191	161	180	37	41	35	38	18
Unemployment rate ²	9.1	8.2	8.3	8.0	8.9	10.5	8.7	9.4	8.7	10.4	4.8	6.4	5.1	6.1	3.7
<i>Female</i>															
Civilian noninstitutional population	8,462	8,030	7,645	7,188	6,719	7,661	7,314	6,996	6,640	6,240	801	716	649	548	479
Civilian labor force	1,862	1,583	1,509	1,391	1,328	1,545	1,312	1,260	1,143	1,135	317	271	249	248	193
Labor force participation rate ¹	22.0	19.7	19.7	19.4	19.8	20.2	17.9	18.0	17.2	18.2	39.6	37.8	38.4	45.3	40.3
Employed	1,732	1,425	1,356	1,280	1,230	1,437	1,176	1,127	1,051	1,047	295	249	229	229	183
Unemployed	130	158	153	111	98	108	136	133	92	88	22	22	20	19	10
Unemployment rate ²	7.0	10.0	10.1	8.0	7.4	7.0	10.4	10.6	8.0	7.8	6.9	8.1	8.0	7.7	5.2
NOT ENROLLED IN SCHOOL															
<i>Male</i>															
Civilian noninstitutional population	5,887	5,857	5,495	5,409	5,638	1,806	1,593	1,530	1,563	1,722	4,081	4,264	3,965	3,846	3,916
Civilian labor force	5,518	5,490	5,158	5,071	5,228	1,588	1,373	1,354	1,369	1,468	3,930	4,117	3,804	3,702	3,760
Labor force participation rate ¹	93.7	93.7	93.9	93.8	92.7	87.9	86.2	88.5	87.6	85.2	96.3	96.6	95.9	96.3	96.0
Employed	5,169	5,006	4,677	4,616	4,660	1,404	1,188	1,138	1,185	1,221	3,765	3,818	3,539	3,431	3,439
Unemployed	349	484	481	455	568	184	185	216	184	247	165	299	265	271	321
Unemployment rate ²	6.3	8.8	9.3	9.0	10.9	11.6	13.5	16.0	13.4	16.8	4.2	7.3	7.0	7.3	8.5
<i>Female</i>															
Civilian noninstitutional population	8,548	8,306	8,077	7,895	7,827	2,544	2,451	2,410	2,442	2,520	6,004	5,855	5,667	5,453	5,307
Civilian labor force	4,613	4,402	4,156	4,078	4,002	1,502	1,368	1,360	1,365	1,436	3,111	3,034	2,796	2,713	2,566
Labor force participation rate ¹	54.0	53.0	51.5	51.7	51.1	59.0	55.8	56.4	55.9	57.0	51.8	51.8	49.3	49.8	48.4
Employed	4,190	3,924	3,615	3,659	3,539	1,278	1,135	1,116	1,184	1,216	2,912	2,789	2,499	2,475	2,323
Unemployed	423	478	541	419	463	224	233	244	181	220	199	245	297	238	243
Unemployment rate ²	9.2	10.9	13.0	10.3	11.6	14.9	17.0	17.9	13.3	15.3	6.4	8.1	10.6	8.8	9.5

¹ Percent of civilian noninstitutional population in the labor force.² Percent of civilian labor force who were unemployed.

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

rate for male students 14 to 24 years old remained at about 9 percent while that of out-of-school youth declined to 6.3 from 8.8 percent. This was the first time that the rate for students was significantly greater than the rate for males in the same age group who were no longer in school (chart 3). At the time of the last survey, some 300,000 male students were looking for work, about 70,000 more than a year earlier. The unemployment rate for young women students declined over the year to 7 percent, and continued to be below the rate for girls who were no longer in school.

Out-of-School Youth

As greater proportions of youths remain in school, workers who are no longer in school are a declining proportion of the labor force in the 14 to 24 year-age group. In October 1965, the 10.1 million out-of-school youths in the labor force ac-

counted for two-thirds of all young people in the labor force, a substantially smaller percentage than in 1961 (72 percent).

Of the 14.5 million young men and women no longer in regular schools in October 1965, about 800,000 were enrolled in special schools to learn a specific trade or skill, such as automobile mechanics or television repair for the boys and nursing or secretarial work for the girls. A majority of the boys but a minority of the girls in special schools were also in the labor force. Persons who had graduated from high school were more likely to be attending such schools than those who had dropped out of school.

In contrast to the relative stability in student unemployment over the year, the number of jobless among those not in school fell by one-fifth to 775,000. Their unemployment rate dropped to 7.6 from 9.7 percent (the lowest rate for nearly a decade). This marked reduction in the number

unemployed occurred exclusively among the 20 to 24 year-old young men and women and was largely attributable to the expansion of full-time job opportunities.

Unemployment of nonwhite youths out of school, as was also true of those in school, was substantially higher than unemployment for white youths. Even though the rate for the nonwhites fell over the year to 12 from 15 percent, it was still nearly double that of white youths.

As a result of the decline in unemployment and the expansion in the number in the labor force, employment among youths no longer in school rose by about 400,000 over the year.

16 to 21 Year-Olds

Many of the young people who are 16 to 21 years old and who are no longer in school are dropouts and high proportions of those in the labor force are unemployed. For example, in October 1965 one-third of the 5.6 million 16 to 21 year-old youths in the labor force and no longer in school had not graduated from high school. Less than 60 percent of the girls were in the labor force

primarily because household responsibilities prevented them from working. Nearly all of the boys (91 percent) were in the labor force; the number of young men not in the labor force and not in regular schools (275,000) was the same as in October 1964.

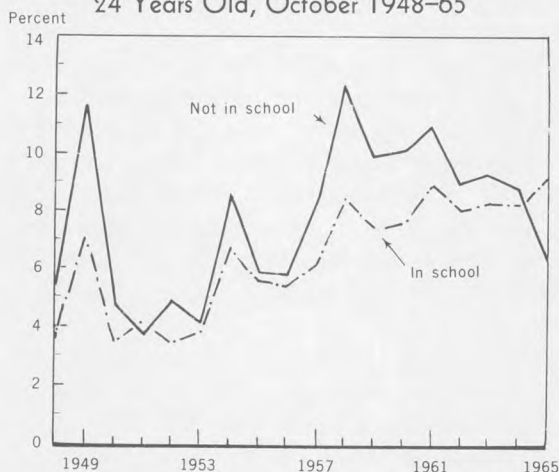
Over the year, employment of persons 16 to 21 years old increased by nearly 300,000 to a total of 5 million (table 2). At the same time, unemployed youths in this age group decreased significantly as a proportion of the labor force (to 10.6 from 12.7 percent). In spite of the rise in employment, labor force participation rates generally did not change significantly. The exception was the labor force participation rate for 16 and 17 year-old boys which rose over the year to 81 from 72 percent—the highest rate for this group since 1960. Though employment of 16 and 17 year-old boys increased, their unemployment rate remained high (16 percent). On the other hand, lower unemployment rates occurred among older youths.

Among women 16 to 21 years old and not in school, 80 percent of the single girls but only 40 percent of the married women were in the labor

TABLE 2. EMPLOYMENT STATUS OF PERSONS 16 TO 21 YEARS OLD NOT ENROLLED IN SCHOOL, BY AGE, SEX, AND COLOR, OCTOBER 1964-65
[Numbers in thousands]

Sex, age, and color	1965						1964					
	Population	Number in labor force	Percent in labor force	Employed	Unemployed	Unemployment rate	Population	Number in labor force	Percent in labor force	Employed	Unemployed	Unemployment rate
BOTH SEXES												
Total, 16 to 21 years.....	7,884	5,632	71.4	5,036	596	10.6	7,758	5,451	70.3	4,756	695	12.7
16 and 17 years.....	872	536	61.5	434	102	19.0	868	478	55.1	383	95	19.9
18 and 19 years.....	3,399	2,529	74.4	2,223	306	12.1	3,080	2,235	72.6	1,915	320	14.3
20 and 21 years.....	3,613	2,567	71.0	2,379	188	7.3	3,810	2,738	71.9	2,458	280	10.2
White.....	6,759	4,844	71.7	4,382	462	9.5	6,660	4,665	70.0	4,130	535	11.5
Nonwhite.....	1,125	788	70.0	654	134	17.0	1,098	786	71.6	626	160	20.4
MALE												
Total, 16 to 21 years.....	3,165	2,882	91.1	2,617	265	9.2	3,104	2,838	91.4	2,499	339	11.9
16 and 17 years.....	420	342	81.4	286	56	16.4	363	263	72.5	224	39	14.8
18 and 19 years.....	1,351	1,232	91.2	1,104	128	10.4	1,196	1,100	92.0	954	146	13.3
20 and 21 years.....	1,394	1,308	93.8	1,227	81	6.2	1,545	1,475	95.5	1,321	154	10.4
White.....	2,679	2,442	91.2	2,236	206	8.4	2,623	2,414	92.0	2,152	262	10.9
Nonwhite.....	486	440	90.5	381	59	13.4	481	424	88.1	347	77	18.2
FEMALE												
Total, 16 to 21 years.....	4,719	2,750	58.3	2,419	331	12.0	4,654	2,613	56.1	2,257	356	13.6
16 and 17 years.....	452	194	42.9	148	46	23.7	505	215	42.6	159	56	26.0
18 and 19 years.....	2,048	1,297	63.3	1,119	178	13.7	1,884	1,135	60.2	961	174	15.3
20 and 21 years.....	2,219	1,259	56.7	1,152	107	8.5	2,265	1,263	55.8	1,137	126	10.0
White.....	4,080	2,402	58.9	2,146	256	10.7	4,037	2,251	55.8	1,978	273	12.1
Nonwhite.....	639	348	54.5	273	75	21.6	617	362	58.7	279	83	22.9

Chart 3. Unemployment Rates of Male Youth, 14 to 24 Years Old, October 1948-65



force. The proportion of 20 and 21 year-old married women who were out of school and in the labor force in October 1965 was greater than at the beginning of the decade. This tendency for relatively more young women to continue working after they are married may be related to later family formation and lower birth rates of recent years.

A greater proportion of young men no longer in school were blue-collar workers (craftsmen, operatives, and nonfarm laborers) in October 1965 than a year earlier, primarily because of increased employment in manufacturing. In October 1965, 69 percent were blue-collar workers; the proportion who were operatives (38 percent) was double that for laborers. Only a small percentage (17) of the young men had white-collar jobs—primarily clerical. Among the women, however, a majority (60 percent) were white-collar workers and, as usual, almost all were clerical.

Nonwhite youths were heavily concentrated in the lower paying unskilled jobs. Greater proportions of nonwhites than whites worked in service occupations while smaller percentages were white-collar workers.

Unemployment among 16 to 21 year-old out-of-school youth fell by 100,000 over the year and their unemployment rate dipped to 10.6 percent in October 1965, the lowest in this decade. The 600,000 jobless former students accounted for 22

percent of all the unemployed, a proportion three times greater than their share of the labor force.

Many related factors contribute to the relatively high unemployment rate among youth who are no longer acquiring a formal education. They frequently hold jobs which require little or no training and in which tenure is uncertain; they are most likely to be laid off during seasonal slowdowns or other lulls as they are the least experienced workers and have little or no seniority. Relatively few of the youths have family responsibilities and many do not hesitate to quit their job to seek one more to their liking.

The unemployment rate for 16 and 17 year-old boys not in school (16 percent) failed to decline over the year as it had declined for those 18 to 21 and for adult workers. Both their young age and lack of adequate education put these 55,000 jobless 16 and 17 year-old boys at a disadvantage in finding work. The unemployment rate for the 16 and 17 year-old girls also remained high with 1 out of 4 of those in the labor force jobless.

The 20 and 21 year-old men had the sharpest decline in unemployment rate over the year; this decline is attributable, in part, to the fact that they may have had more training and work experience than the younger workers and that many of them had attended college and some may even have graduated from college and were therefore better qualified for job opportunities in the expanding professional, technical, and clerical occupations.

Unemployment rates for nonwhite youths who are no longer in school continue to be high in spite of special programs to train and develop jobs for these workers. The unemployment rate for nonwhite boys (13 percent) was 60 percent higher than that for white boys; the rate for nonwhite women (22 percent) was double that for white women. While discriminatory hiring practices are undoubtedly a factor in the higher unemployment rate for nonwhites, another important factor is the greater proportion of nonwhites who are dropouts; half the nonwhite youths in the labor force but only 30 percent of the white youths had not graduated from high school.

II. The Effects of Employment Redistribution on Earnings

CLAIRE HODGE*

THE SHIFT in the occupational structure of employment since 1950 had more effect on the average annual earnings of workers than did the shift in the industrial structure of employment. This conclusion is based on the findings of a study of changes in employment from 1950 to 1963 and their effect on average earnings.¹ The data show that the changes since 1950 in the occupational distribution of employment have contributed to an increase in the annual average earnings level for both men and women, and for all workers and those who worked full time the year round.

On an overall basis, the changed occupational pattern yielded an earnings level in 1963 which was about \$100 higher than it would have been had the 1950 pattern persisted. (See table.) This is a comparatively small difference in relation to the rising level of income over this same period.² On the other hand, the average annual earnings level of male year-round full-time workers rose substantially as a result of the changed occupational distribution. For this group, the average earnings figure was nearly \$500 higher than it otherwise would have been.

Shifts From Goods to Services

Throughout the 20th century, the composition of the Nation's employment has been changing from goods-producing and associated industries to service-producing industries.³ Changes in employment have reflected a decline in the proportion of persons working in agriculture, mining, soft-goods manufacturing, and transportation, and a rise in the proportion employed in service industries—finance, education, public administration, and professional and personal services.

One of the important questions raised by these employment trends is the effect they have had on the average earnings of the work force. Concern has been expressed about the long-term employment declines in mining, railroading, and several

manufacturing industries where production workers hold relatively skilled jobs and earn comparatively high wages.

The net shift in the distribution of employment among the major industry divisions actually made a slight positive contribution to the increase in the average annual earnings figure during the period 1950–63. In large part, this reflects the fact that the most rapid decline took place in agriculture, where average earnings have been the lowest (in 1963, \$1,900, contrasted with the overall average of \$4,350).

Developments in manufacturing combined with the decline in agriculture and a very rapid growth in professional services to raise the 1963 average annual earnings level for all male workers to a

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¹ The basic procedure involved computing actual mean earnings per worker (in each of the selected worker groups) in 1963—the latest year for which all the necessary detailed earnings statistics were available at the time of the study. (Since then, the data for 1964 have become available; with respect to the earnings effect, computations using 1950–64 changes in employment yielded precisely the same results as the 1950–63 changes. 1950 was the earliest year for which comparable work experience data were available.) These average earnings were then compared with average earnings estimated under the assumption the 1950 employment distribution by major industry division and, separately, by major occupation group had remained unchanged. Differences between the actual and the estimated levels of earnings provided a measure of the effect of changes in the industrial and occupational composition of employment.

Separate comparisons were developed by sex, and for all workers and year-round full-time workers. The latter group comprises persons who worked, or were on paid leave, in each of 50 weeks or more, primarily at jobs which provided 35 hours or more of work per week.

The industry and occupation data relate to the longest job held by the worker during the calendar year. The average annual earnings in 1963 for each industry and occupation were computed from unpublished data collected by the Bureau of the Census in the *Current Population Surveys* of February and March 1964.

Employment was defined on a paid work experience basis—that is, the total number of different persons who worked for pay or profit at any time during the calendar year. The work experience data, also derived from *Current Population Surveys*, are conceptually consistent with the data on earnings.

The major limitations of the study were that (1) data by industry and occupation were available only at the major group level, and also could not be interrelated; and (2) persons with more than one job were classified in the industry and occupation of their longest job, and all their earnings were attributed to that industry and occupation group.

² Precisely comparable figures are not available, but median total money income, adjusted for changes in prices, rose by about \$1,150, or 40 percent, from 1950 to 1963.

³ In this study, *goods-producing industries* comprise agriculture, mining, construction, manufacturing, and the closely related transportation and public utilities grouping. *Service-producing industries* comprise trade, finance, miscellaneous services, and public administration.

figure \$200 higher than would have been true in the absence of any industrial redistribution after 1950. In hard goods manufacturing industries, the average earnings level for male workers in 1963 was about \$1,000 more than the average for all male workers; in these industries, employment of men rose by 26 percent from 1950 to 1963, compared with a rise of 13 percent in all industries.

The average annual earnings figure for workers in nonagricultural industries was slightly lower in 1963 than if the 1950 employment distribution by industry had remained unchanged.⁴ This resulted mainly from the tremendous influx of women into the service industries, the majority of these women working only part year or part time and thus earning relatively small amounts for the year as a whole.

Employment Trends

From 1950 to 1963, the number of different persons employed at some time during the year rose by 15 million—or 23 percent—to 80.4 million. The vast majority of these 15 million workers were

⁴ Industry data on earnings and employment, derived mainly from employer reports to administrative agencies, are published by the U.S. Department of Commerce, Office of Business Economics. The OBE series substantiates the findings of this study in regard to differences between actual and estimated earnings in 1963 of nonagricultural workers.

added to the service-producing industries—9.3 million to miscellaneous services and finance, 2.4 million to trade, and 1.2 million to public administration.

Sizable employment gains were also registered in durable goods manufacturing (2.4 million) and in construction (800,000), but there were losses of 1.6 million from agriculture and 400,000 from mining. Altogether, the goods-producing industries increased their employment by only 6 percent from 1950 to 1963, in contrast to a gain of 42 percent in the service industries. (See chart 1.) The goods-producing sector, which employed 53 percent of all workers in 1950, declined to 45 percent in 1963.

But from the standpoint of earnings, the most significant developments were that the greatest decline in the goods sector was in agriculture, and the strongest gain in the service sector was in professional services.

Taking account of changes in all major industry divisions, the average annual earnings figure was about \$50 higher than it would have been if the 1950 employment distribution had prevailed. When the nonagricultural industry groups were examined separately, however, it was revealed that the 1950 industry pattern would have yielded a slightly higher level of earnings. It is clear that this resulted mainly from the effect of women

EFFECT OF 1950-63 CHANGES IN DISTRIBUTION OF EMPLOYMENT ON AVERAGE ANNUAL EARNINGS OF SELECTED WORKER GROUPS¹

[Numbers in thousands]

Selected worker group	1963		Effect of employment changes on earnings ²			
	Number of workers	Average (mean) earnings	By industry	By occupation	As a percent of 1963 earnings	
					By industry	By occupation
All workers.....	80,355	\$4,342	\$51	\$108	1.2	2.5
Male.....	50,296	5,489	203	354	3.7	6.4
Female.....	30,059	2,330	1	61	(³)	2.6
Year-round full-time workers.....	44,969	6,043	185	330	3.1	5.5
Male.....	33,474	6,819	302	484	4.4	7.1
Female.....	11,495	3,736	31	126	.8	3.4
All nonfarm workers.....	75,081	4,512	-55	24	-1.2	.5
Male.....	45,927	5,798	37	209	.6	3.6
Female.....	29,154	2,384	-18	39	.3	1.6
Year-round full-time nonfarm workers.....	42,550	6,205	21	168	.8	2.7
Male.....	31,145	7,087	54	250	.6	3.5
Female.....	11,405	3,749	21	113		3.0

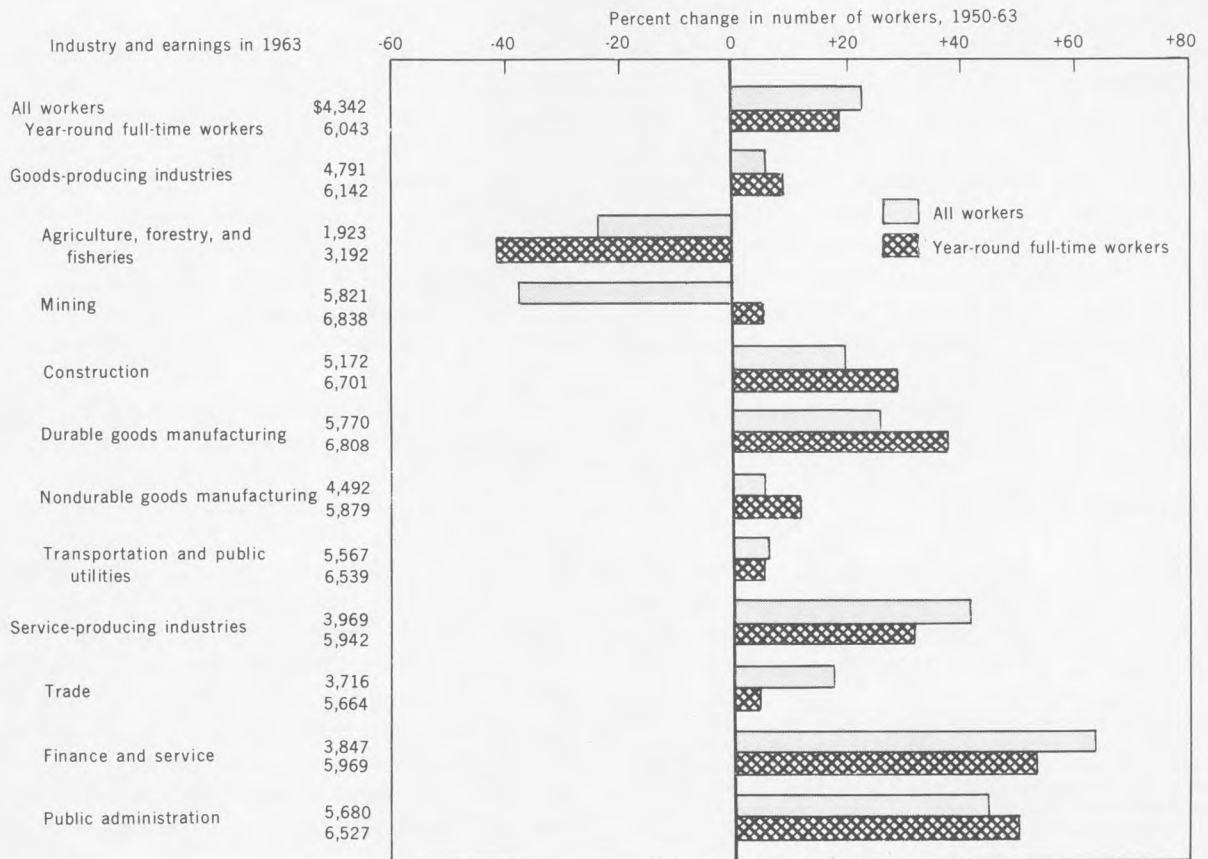
¹ Data relate to persons with paid work experience at some time during the year.

² This effect represents the difference between actual earnings in 1963 and

the average earnings that would have been received in 1963 had the 1950 distributions of employment by industry and occupation group persisted.

³ Less than 0.1 percent.

Chart 1. Changes Between 1950 and 1963 in the Total Number of Persons With Paid Work Experience, by Industry



working part time and intermittently, since the figures for year-round full-time workers and for men showed a slight gain as a result of the employment redistribution by industry.

Year-Round Full-Time Workers

The proportion of workers in all industries employed year round on full-time jobs declined slightly between 1950 and 1963 (from 58 to 56 percent of total employment). The drop resulted entirely from changes in the employment of women; about two-thirds of the male work force had year-round full-time jobs in both 1950 and 1963. The proportion of women who worked full time year round declined from 40 percent to 38 percent over this period.

The shift from goods to services during the 1950-63 period was less pronounced among year-

round full-time workers, since the industrial composition of this group was not affected by the influx of part-time and part-year workers into trade and services. Of those in year-round full-time employment, 51 percent were in the goods sector in 1963, 56 percent had been in this sector in 1950.

In 1963, the level of earnings among persons who worked full time all year was \$200 higher as a result of the shift in the composition of industry employment. Among men, the differentials were even more impressive. For men in all industries who worked full time the year round, the earnings average was \$300 more in 1963 than it would have been if no shifts in employment had occurred after 1950. The substantial influence of the movement from farming to better paying jobs outside of agriculture was evident. When nonfarm industries alone were considered, the actual average earnings level in 1963 for year-round full-time

male workers was only about \$50 above the estimated earnings had these employment shifts not taken place.

Professional and Technical Workers

In 1950, professional and technical employees represented only 8 percent of all paid workers; by 1963, 12 percent. Since 1950, employment in the professional occupations had increased by 4.2 million, or more than 80 percent. (See chart 2.)

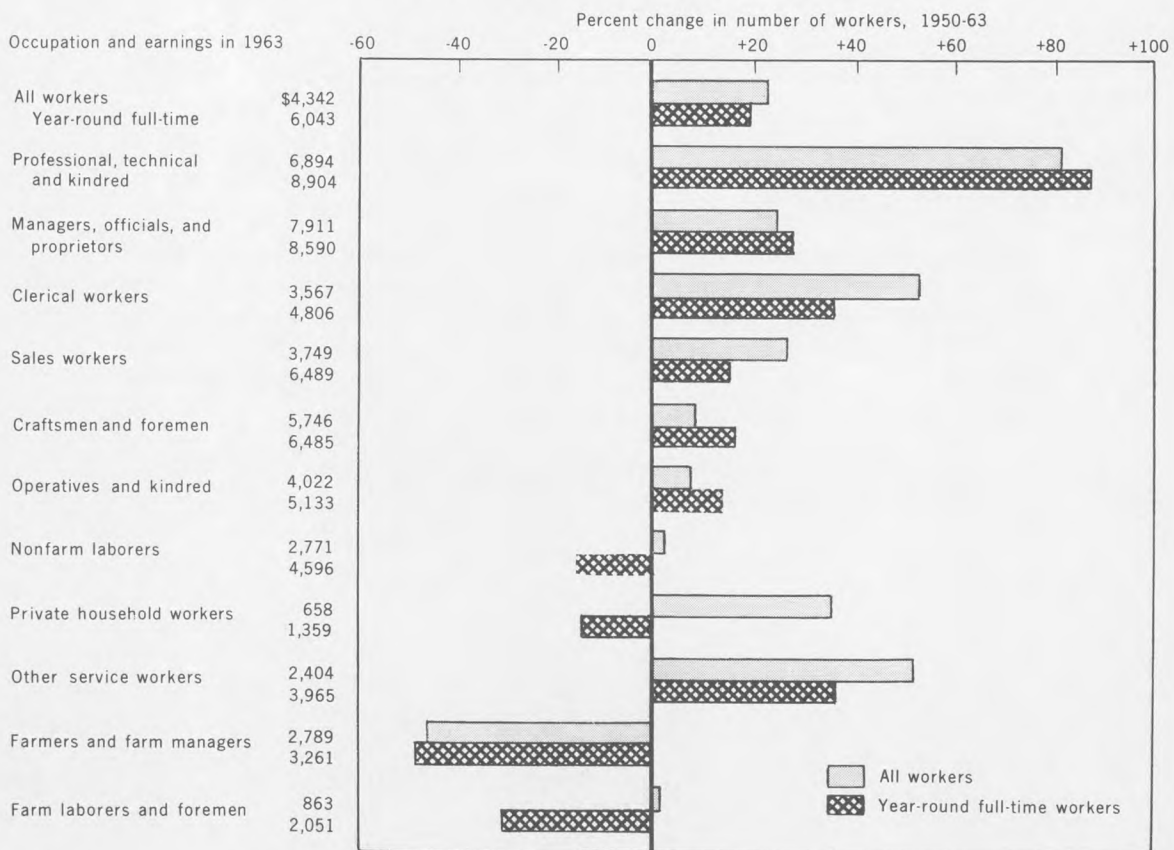
The vast majority of these additional professional and technical workers were employed in the service-producing sector. Their average earnings are high, and the rapid growth in the number employed in services helps to explain why the redistribution of employment from goods to service industries did not have a depressing effect on earnings.

Employment Trends by Sex

Women constituted 60 percent of the gain in total employment from 1950 to 1963. The majority of the women added to the work force during this period were part-time or intermittent workers employed in service, finance, and trade. In the service and finance group, growth in the number of part-time and intermittent workers was more than double the increase in the number of year-round full-time workers. In trade, the number of part-time and intermittent workers increased five times as fast as the number who worked full time all year.

Although these developments held down the level of annual average earnings among women in nonfarm industries, they should not be interpreted as adverse to women workers. It is known that a great many women are employed only part time

Chart 2. Changes Between 1950 and 1963 in the Total Number of Persons With Paid Work Experience, by Occupation



or part year by choice; they have entered the labor force to take advantage of part-time jobs which fit their schedules or are near their homes. Of all women who had work experience in 1963, 60 percent were married and living with their husbands. Nearly two-thirds of these secondary earners worked only part time or intermittently, most of them to provide supplementary buying power for their families. The availability of part-time jobs has been beneficial to married women who desire or need them for the additional family income; at the same time, the availability of part-time workers has benefited those industries, such as trade and service, that can utilize them.

Men accounted for only 40 percent of the gain in total employment during the 13-year period, but for about 60 percent of all new professional and technical workers and for 90 percent of the additional managers, officials, and proprietors. Most of these new jobs for men were on a year-round full-time schedule and, of course, were the most remunerative in terms of average annual

earnings. Men registered large gains in service, finance, and durable goods manufacturing, and substantial losses in agriculture and mining. Except for the job loss in mining (about 400,000), all these employment changes contributed to an increase in the average earnings level of male workers.

Future Trends

Projections of the occupational distribution of employment in 1975 indicate that the trends of 1950-63 will continue during the 1963-75 period,⁵ and this continuing shift toward higher skilled and higher paid occupations will tend to raise the level of average earnings. Reweighting 1963 earnings for each major occupational group by the projected distribution of employment among occupations for 1975 produces an average for all workers about \$75 (2 percent) higher than the actual average annual earnings figure for 1963.

⁵ *Manpower Report of the President*, March 1966, p. 217.

The occupational group of the future will combine elements from both the professional and bureaucratic models; the average professional man will combine professional and nonprofessional orientations; the typical occupational association may be neither a trade union nor a professional association. Mixed forms of control, hybrid organizations—not a straight-line “professionalization of labor”—are the likely outcomes.

—Harold L. Wilensky, “The Professionalization of Everyone?” *The American Journal of Sociology*, September 1964.

Summaries of Studies and Reports

A Review of Work Stoppages During 1965

IN 1965, the number of work stoppages beginning during the year reached the highest annual level since 1955. However, both the number of workers involved in these stoppages and the idleness resulting from all strikes in effect during the year were below the average for the previous decade. As shown in chart 1, the 3,963 work stoppages which began in 1965 involved 1,550,000 workers.¹ Idleness resulting from strikes which were in effect during the year totaled 23.3 million man-days, or 0.18 percent of the estimated total working time of the nonagricultural work force (exclusive of government). Strikes ending during the year averaged 25 days in duration—compared with 22.9 days in 1964.

Twenty-one major stoppages (strikes involving 10,000 workers or more) began in 1965 and accounted for a significant proportion of the year's worker and idleness totals. The Atlantic and Gulf Coast longshoremen's strike which began in 1964 continued into the year. Seven of the major stoppages were in progress in July when monthly strike idleness reached its peak for the year (3.7 million man-days). None of the stoppages which either began in or were threatened during the year was deemed serious enough to warrant utilization of the national emergency provisions of the Taft-Hartley Act, but high-level Government mediation was invoked to settle several strikes and to avert a nationwide stoppage in the basic steel industry.

Size and Duration

Work stoppages among groups of 100 workers or more occurred with greater frequency in 1965 than in recent years. Approximately 46 percent of the 1965 stoppages were of this size compared with 41.7 percent in 1964, and an average of 41.4

percent during the 1960-64 period. The increase in the incidence of strike activity in 1965 was concentrated in this group, rather than among stoppages of smaller size. The number of stoppages of the smallest size (those involving fewer than 20 workers) was less in 1965 (686) than in 1964 (718).

Of the larger strikes, 268 directly affected as many as 1,000 workers—the highest incidence in this size group since 1958. These stoppages accounted for 7 percent of all strikes in 1965, and involved nearly two-thirds of the workers participating in new strikes. Including those continuing from 1964, stoppages of this magnitude were responsible for nearly two-thirds of the year's total strike idleness. Slightly more than three-fifths of these large stoppages were renegotiation disputes, while about a third occurred during the term of agreements.

Twenty-one stoppages beginning in 1965 involved as many as 10,000 workers each; there were 18 in 1964. These strikes directly idled 387,000 workers, and, combined with the idleness accruing in 1965 from the Atlantic and Gulf Coast longshoremen's strike, resulted in approximately 6 million man-days of idleness. The largest stoppage (40,000 workers) commencing during the year was an 11-day interstate strike against the Glass Container Manufacturers Institute; the longest of the major stoppages was an 89-day construction strike in upstate New York.

Since 1959, the average duration of work stoppages has been high relative to earlier post-

¹ These data include all work stoppages known to the Bureau of Labor Statistics and various cooperating agencies involving 6 workers or more and lasting a full day or shift or longer. Figures on workers involved and man-days idle include all workers made idle for as long as one shift in establishments directly involved in a stoppage; they do not measure the indirect or secondary effects on other establishments or industries whose employees are made idle as a result of material or service shortages.

A forthcoming bulletin will provide additional data and analysis on stoppages during 1965. For data on 1964 stoppages, see "A Review of Work Stoppages During 1964," *Monthly Labor Review*, June 1965, pp. 661-668, and *Analysis of Work Stoppages, 1964* (BLS Bulletin 1460, 1965).

The terms "work stoppage" and "strike" are used interchangeably in this article and include lockouts.

war experience. In 1965, the average duration reached its highest level since 1947; strikes ending during the year averaged 25 calendar days—compared with an average of 22.9 days in 1964, and an average of 20 days during the 1948–58 period.

As the increase in average duration indicated, there was a greater number of stoppages lasting a month or longer in 1965 than in 1964. The 938 stoppages of such length which ended in 1965 constituted the highest total for any year since 1953. (See table.) While greater in number than in the previous year, these stoppages involved fewer workers and resulted in less idleness than strikes of such length in 1964; the latter result is largely explained by the 1964 nationwide General Motors strike. (See chart 2.)

Most strikes are still settled promptly. Approximately two-fifths of the strikes ending in 1965 were terminated in less than a week, and three-fifths were settled in 2 weeks or less. The median duration of strikes ending in 1965 was 9 days.

Contract Status

Continuing the pattern of recent years, the largest proportion (46 percent) of the work stoppages beginning in 1965 were renegotiation disputes. Strikes arising during the term of an agreement accounted for 35 percent of the year's total; 18 percent of the stoppages occurred during the negotiation of the initial agreement or in the union's quest for recognition.

In both absolute and relative terms, the number of workers participating in renegotiation strikes

and the amount of resultant idleness declined from the levels of the previous year. Renegotiation stoppages accounted for 64 percent of all strikers and were responsible for four-fifths of total strike idleness. As in recent years, more than four-fifths of these stoppages resulted from disputes over general wage changes and/or supplementary benefits. A smaller proportion (7 percent) of the renegotiation strikes developed out of disputes over plant administration or job security matters. Largely because four of the major stoppages were included in this category, these strikes accounted for nearly one-fifth of the total idleness from renegotiation stoppages.

The number of workers involved in strikes which occurred during the term of an agreement was slightly larger in 1965 than in 1964, but the idleness resulting from these stoppages was nearly 20 percent greater than the year before. Of these disputes, those lasting 30 days or longer involved a larger number of workers in 1965 than in 1964, thus accounting in part for the higher level of idleness. Plant administration or job security disputes accounted for more than two-fifths of the strikes which occurred during the term of an agreement; intra- or interunion conflicts for another third.

The stoppages which occurred during the establishment of a collective bargaining relationship were small ones; more than four-fifths directly affected fewer than 100 workers each, and only 10 involved as many as 1,000 workers—2 were strikes by taxicab drivers in New York City. Such strikes accounted for 5 percent of all strikers and for 8 percent of total idleness. Disputes over union organization and security matters led to 66 percent of these stoppages; demands for general wage changes and/or supplementary benefits added another 24 percent to the total.

Major Issues

While the distribution of the number of work stoppages by major issues deviated little from the 1964 pattern, differences did appear in the allocation of workers and idleness among the various issues, with the most significant changes developing among disputes over plant administration and job security matters. Largely as a consequence of the General Motors strike, plant administra-

DURATION OF WORK STOPPAGES ENDING IN 1965¹

Duration (calendar days)	Stoppage		Workers involved		Man-days idle	
	Number	Percent	Number	Percent	Number	Percent
All stoppages....	3, 973	100.0	1, 610, 000	100.0	23, 800, 000	100.0
1 day.....	448	11.3	179, 000	11.2	179, 000	0.8
2 to 3 days.....	565	14.2	158, 000	9.8	328, 000	1.4
4 to 6 days.....	558	14.0	196, 000	12.2	702, 000	2.9
7 to 14 days.....	822	20.7	285, 000	17.8	1, 950, 000	8.2
15 to 29 days.....	642	16.2	383, 000	23.8	5, 080, 000	21.3
30 to 59 days.....	476	12.0	200, 000	12.5	5, 140, 000	21.6
60 to 89 days.....	241	6.1	170, 000	10.6	6, 100, 000	25.6
90 days and over.....	221	5.6	34, 400	2.1	4, 340, 000	18.2

¹ The totals in this table relate to stoppages ending during the year. Idleness for prior years is included in the 1965 total.

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

tion stoppages accounted for 36 percent of total idleness in 1964; in 1965, such disputes led to only 8 percent of the year's idleness. On the other hand, job security disputes accounted for 16 percent of total idleness in 1965, compared with 6 percent in the previous year.

Demands for general wage changes and/or supplementary benefits were the major issues in more than two-fifths of the year's stoppages. These disputes involved 46 percent of the workers participating in strikes, and accounted for 54 percent of total idleness. In each of five industry groups, strikes over these issues resulted in more than 1 million man-days of idleness—the greatest volume (2.2 million man-days) occurred in the construction industry.

Disputes over plant administration matters declined slightly in number from the previous year, and involved less than half as many workers as in 1964 (287,000 compared with 576,000). The General Motors strike of 1964 accounts for the significantly higher workers' total in that year. The construction and mining industries, however, experienced more than one-fourth of these disputes.

Job security issues led to 5 percent of all stoppages which began in 1965 and accounted for approximately one-tenth of the workers involved in these disputes; these measures were below the 1964 levels.² However, because this group included the 1964-65 longshoremen's strike as well as three of the major strikes beginning in 1965, idleness resulting from job security strikes was more than twice as great as in the previous year. More than two-fifths of the idleness resulting from strikes over these issues occurred in the transportation and communication industries group.

The number of disputes over union organization and security matters was slightly higher than in 1964, but these disputes involved a significantly larger number of workers and resulted in a considerably higher level of idleness than in the earlier year. A similar situation prevailed in the case of strikes over inter- or intra-union affairs, nearly seven-eighths of these disputes occurred in the construction industry.

² Since the longshoremen's strike began in October 1964, the workers involved are included in the workers' total for 1964, rather than for 1965.

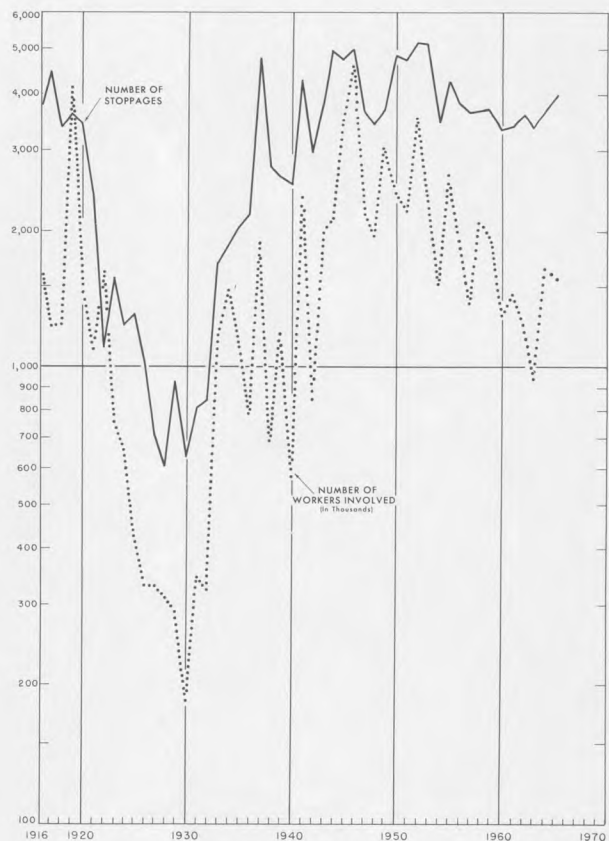
Industries Affected

The increase in strike incidence in 1965 was concentrated among manufacturing industries, these industries accounted for 2,080 of the stoppages in 1965, compared with 1,794 stoppages in 1964. Idleness resulting from manufacturing strikes was, however, less than in the previous year; on the other hand, the time lost from nonmanufacturing stoppages rose to its highest level since 1959. The number of workers involved in strikes declined from the 1964 level in both manufacturing and nonmanufacturing, but the greater decline occurred in the manufacturing sector.

Significant increases in idleness over 1964 levels were recorded in several manufacturing industries, including the paper, chemicals, leather, machinery, and stone, clay, and glass products industries. The paper industry experienced its greatest recorded level of idleness, more than one-fifth of

Chart 1. Number of Work Stoppages and Workers Involved, 1916-65

[Semilog scale]



the time lost resulted from a 22-day major stoppage at the International Paper Co. Nearly a third of the idleness in the chemicals industry was attributable to a 222-day strike at the Wyandotte Chemical Co.; two-fifths of the time lost in the leather industry resulted from a 3-month strike at plants of the Acme Boot Co. An 11-day major stoppage involving the Glass Container Manufacturers Institute accounted for slightly more than a third of the idleness in the stone, clay, and glass products industry. The higher level of time lost in the machinery industry was largely attributable to a marked increase in the number of strikes, several of which were of long duration.

Though recording a decline in idleness from the 1964 level, the transportation equipment industry nonetheless experienced the highest volume of idleness among manufacturing industries; the previous year's idleness in this group had been concentrated in the motor vehicles and parts indus-

try, but more than a third of the 1965 idleness occurred in the aircraft and parts industry with another fourth accruing from strikes at firms engaged in the construction and repair of ships. In the printing, rubber, and fabricated metal products industries, strike idleness declined slightly from 1964 levels, but, as in the transportation equipment industry, the lost time ratio in each case remained substantially above the national average.

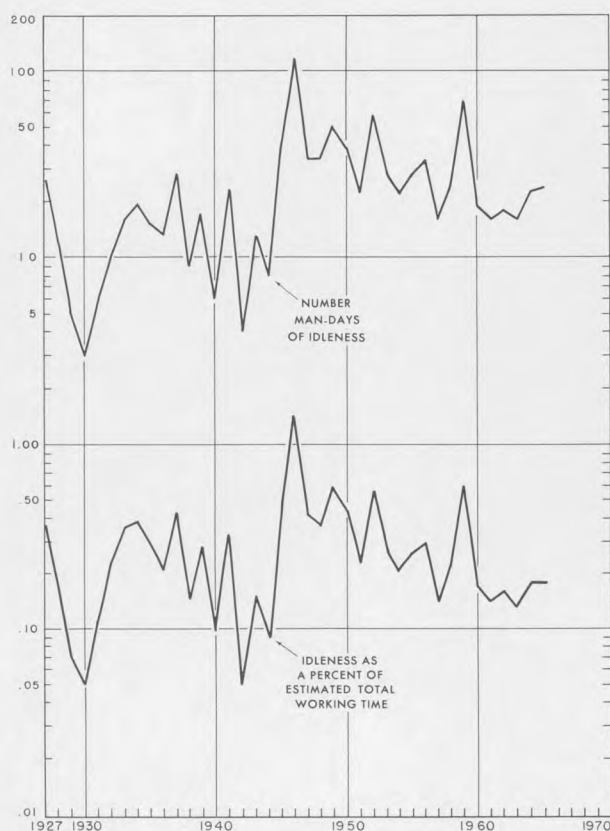
Among nonmanufacturing industries, substantial increases in idleness were recorded in construction, transportation and communication, and government. The construction industry sustained the greatest volume of idleness recorded during 1965 (4.6 million man-days); more than two-fifths of the time lost resulted from four major stoppages, the shortest of which was of 24 days duration. Both the idleness from construction strikes and the number of workers involved in these disputes reached the highest levels since 1958. In the transportation and communication industries, which experienced their highest level of idleness since 1955, three-fifths of the time lost was attributable to seven major stoppages, the largest of which was the longshoremen's strike. Government employees experienced their highest recorded level of strike idleness; a 28-day stoppage by welfare workers in New York City accounted for three-fourths of total idleness.

On the other hand, idleness in the mining and trade industries declined markedly from the prior year's level. In mining, the number of strikes increased by more than a fifth, but idleness was only slightly more than half as great as in 1964. The number of stoppages in wholesale and retail trade was also higher than in 1964, but the level of idleness was less than half as great as in the previous year.

State Experience

New York was directly affected by nine of the major stoppages in progress during the year and led all States in strike idleness (2.9 million man-days) in 1965. California ranked second (2.3 million man-days); slightly more than half of the time lost in this State resulted from construction strikes. Four other States (Illinois, Michigan, Ohio, and Pennsylvania) experienced more

Chart 2. Man-Days Idle in Work Stoppages,
1927-65
[Semilog scale]



than 1 million man-days of idleness in 1965, but the time lost in three of these States was less than that recorded in 1964. In Pennsylvania, however, where the time lost from strikes had been on the decline for 5 consecutive years, idleness rose to its highest level since 1961.

Although experiencing less idleness than those States noted above, several States, including Arizona, Louisiana, Nevada, and Washington, nonetheless sustained a percentage loss in total estimated working time which was significantly greater than the national average. In Arizona, the high percent of working time lost (0.78 percent) was attributable mainly to the 76-day major strike in the construction industry which accounted for nine-tenths of the State's idleness. A lengthy construction strike in Louisiana was responsible for slightly more than half of the idleness in that State; two prolonged strikes in this industry accounted for a similar proportion of the total idleness in Nevada. Two strikes in the transportation equipment industry, accounted for more than seven-tenths of the State's idleness, and were responsible for the high percent of working time lost in Washington.

New York and California, which led all States in strike idleness, also ranked first and second, respectively, in the number of workers involved in stoppages. The number of strikers in New York

(186,000) increased by one-sixth over the previous year's level, while in California the 150,000 workers represented a 63-percent increase over the 1964 level. Construction strikes, which contributed significantly to California's strike idleness, accounted for approximately half of the workers participating in strikes in that State. Other States with large numbers of strikers were Pennsylvania (132,000), Illinois (102,000), Ohio (97,000), and Michigan (82,000), but the number involved in all but the first of these States was less than in 1964.

Thirteen States experienced 100 stoppages or more each in 1965, with Pennsylvania and New York ranking first and second, respectively, in strike incidence. Despite its high ranking, the number of stoppages in New York (397) was at its lowest level since 1945. On the other hand, in California, which ranked fourth in strike incidence, the number of stoppages reached its highest level since 1941. Among States experiencing fewer than 100 stoppages each, records were either established or equaled in Georgia, Idaho, Iowa, Mississippi, Nevada, and North Dakota. The lowest incidence of strike activity occurred in the District of Columbia, Alaska, South Dakota, Vermont, and Wyoming, each of which experienced 10 or fewer stoppages in 1965.

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Division of Industrial and Labor Relations

I do wish that when a principle has been worked out, say in ethics, it didn't have to be discovered all over again in psychology, in economics, in government, in business, in biology and in sociology. It's such a waste of time.

—Mary Parker Follett, quoted by Richard Cabot in *Radcliffe Quarterly*, April 1934.

Employee Earnings and Hours in Retail Trade: Part I

NONSUPERVISORY EMPLOYEES in the Nation's retail trade industry earned an average of \$1.85 on a straight-time hourly basis in June 1965; on the average, they earned \$68.07 and worked 36.9 hours a week, according to a Bureau of Labor Statistics survey¹ covering nearly 6.7 million nonsupervisory retail trade employees in the industry. Because of the importance of the industry, which provides jobs (part- and full-time) for 15 percent of the Nation's nonagricultural employees, this article (Pt. I) deals with the survey results in some detail. It analyzes some of the factors influencing employee earnings and hours in retail trade. Part II, which will appear in next month's issue of the *Review*, will examine some of the changes in earnings and hours which took place after 1962.²

Retail establishments vary widely in terms of employment—from the large department store which may employ several thousand people to the neighborhood grocery which may have only one or two paid employees. According to the 1963 Census of Business, about 75 percent of the 1.2 million retail establishments (excluding eating and drinking places) in the United States which were open during the entire year had fewer than 4 paid employees, while only 13 percent had 10 or more. Establishments employing 10 people or more accounted for 64 percent of retail sales; only 6

¹ The survey was made at the request of the U.S. Department of Labor's Wage and Hour and Public Contracts Divisions as part of their studies of minimum-wage and maximum-hours standards. In this connection, data from the survey were published in the Secretary of Labor's *Report Submitted to the Congress in Accordance with the Requirements of Section 4(d) of the Fair Labor Standards Act, January 1966*.

The survey relates to all establishments having one paid employee or more engaged in retail trade (except eating and drinking places) as defined in the 1957 edition of the *Standard Industrial Classification Manual* prepared by the Bureau of the Budget. Included also are auxiliary units affiliated with and primarily engaged in serving the various establishments (e.g., warehouses and central offices). The sample used in the study was designed to yield national and regional estimates for all retail trade, each major retail group, and selected retail groups. The data reflect earnings and hours of work of nonsupervisory employees for 1 week in June 1965.

The straight-time hourly earnings presented in this article differ in concept from the gross average hourly earnings published in the Bureau's monthly hours and earnings series. Unlike the latter, the estimates presented here exclude premium pay for overtime and for work on weekends, holidays, and late shifts.

More comprehensive information on the nature and results of the survey will be presented in *Employee Earnings and Hours in Retail Trade, June 1965*, (BLS Bulletin 1501).

² See *Monthly Labor Review*, July 1963, pp. 802-807.

TABLE 1. CUMULATIVE PERCENT DISTRIBUTION OF NON-SUPERVISORY EMPLOYEES IN RETAIL TRADE¹ BY AVERAGE STRAIGHT-TIME HOURLY EARNINGS,² UNITED STATES AND REGIONS,³ JUNE 1965

Average hourly earnings ²	United States	North-east	South	North Central	West
Under \$0.50-----	0.2	(4)	0.6	0.1	(4)
Under \$0.75-----	1.9	0.1	5.5	1.1	0.2
Under \$1.00-----	5.4	.8	14.1	4.0	.8
Under \$1.05-----	9.8	3.5	20.8	9.2	2.6
Under \$1.10-----	10.6	3.9	22.3	9.9	3.0
Under \$1.15-----	12.1	4.6	24.4	12.1	3.7
Under \$1.20-----	17.4	7.2	34.4	17.5	5.5
Under \$1.25-----	19.3	8.3	37.6	19.8	6.0
Under \$1.30-----	30.9	23.2	49.5	31.3	12.0
Under \$1.35-----	34.6	27.1	53.2	34.8	15.6
Under \$1.40-----	38.9	32.4	57.2	39.0	19.4
Under \$1.45-----	42.1	35.8	60.3	42.4	22.3
Under \$1.50-----	44.4	38.1	62.4	44.9	24.1
Under \$1.55-----	50.7	45.4	66.9	51.3	31.8
Under \$1.60-----	52.9	47.9	69.0	53.4	33.9
Under \$1.65-----	56.0	51.8	71.4	56.6	36.6
Under \$1.70-----	58.3	54.1	73.2	58.9	39.8
Under \$1.75-----	60.2	56.1	74.8	60.8	41.8
Under \$1.80-----	63.2	59.5	77.0	63.7	46.0
Under \$1.85-----	64.9	61.1	78.4	65.5	47.8
Under \$1.90-----	67.1	63.6	80.2	67.7	50.5
Under \$1.95-----	68.6	65.3	81.4	69.3	52.2
Under \$2.00-----	69.8	66.3	82.4	70.6	53.6
Under \$2.10-----	74.2	71.6	85.5	74.9	58.7
Under \$2.20-----	76.7	74.7	87.2	77.7	61.6
Under \$2.30-----	79.6	78.2	89.1	80.4	65.0
Under \$2.40-----	81.5	80.3	90.2	82.5	67.7
Under \$2.50-----	83.0	82.3	91.1	84.1	69.8
Under \$2.60-----	85.7	85.3	92.7	86.7	73.6
Under \$2.70-----	87.1	87.0	93.5	88.1	75.6
Under \$2.80-----	88.6	88.8	94.4	89.5	77.5
Under \$2.90-----	89.8	90.1	95.1	90.6	79.6
Under \$3.00-----	90.7	91.0	95.6	91.7	80.9
Total-----	100.0	100.0	100.0	100.0	100.0
Number of employees (in thousands)-----	6,687.0	1,752.1	1,884.4	1,864.8	1,185.7
Average hourly earnings-----	\$1.85	\$1.95	\$1.54	\$1.85	\$2.22

¹ Excludes eating and drinking places.

² Excludes premium pay for overtime and for work on weekends, holidays, and late shifts.

³ The regions used in this study include: *North-east*—Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; *South*—Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; *North Central*—Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; and *West*—Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

⁴ Less than 0.05 percent.

percent of the establishments had as many as 20 employees but they accounted for almost half (47 percent) of all retail sales. Chain stores are quite common in retail trade but single unit establishments accounted for 54 percent of the employment and 62 percent of the sales.

Some occupations are peculiar to certain lines of business—e.g., tailors and seamstresses in apparel stores, mechanics at automobile dealers, and pharmacists in drug stores. Even among sales positions, occupational requirements vary from the limited training required to sell sundry items in a variety store to the experience, training, and knowledge required to sell an automobile.

Average Hourly Earnings

The wide dispersion of average hourly earnings (about 4 out of 5 employees earned between \$1.10 and \$3 an hour) reflects the effects of the factors characteristic of the industry. Median earnings were \$1.54 an hour; the middle 50 percent of the employees earned between \$1.27 and \$2.13, and nearly an eighth (the largest concentration of employees at a single wage interval) earned between \$1.25 and \$1.30 an hour (table 1).

The South was the only region³ in which employees averaged less than the industrywide pay level. As compared with the other regions, earnings of employees in the South were heavily concentrated in the lower reaches of the pay scale. For example, while 3 of every 10 employees worked in the South, that region accounted for 3 of every 4 employees who earned less than \$1 and for 1 of 2 who earned less than \$1.25. In contrast, employees in the West constituted 18 percent of the retail work force but 36 percent of the employees with earnings of \$3 an hour or more.

Men's earnings were substantially higher, on the average, than those of women, \$2.04 as compared with \$1.52 an hour (table 2). Differences between the earnings distributions were prominent especially in the upper reaches of the wage scale. For example, fewer than a sixth of the men, compared with a fourth of the women, earned less

than \$1.25 an hour, but two-fifths of the men earned at least \$2 an hour and a sixth earned at least \$3, whereas only a sixth of the women earned \$2 or more and all but 2 percent earned less than \$3. The disproportionate representation of women at the lower end of the pay scale is well illustrated by the tabulation below:

Employees earning—	Percent of total	Percent who were women
Total.....	100	41
Less than \$1.....	5	50
Less than \$1.25.....	19	55
Less than \$1.50.....	44	55
\$2 or more.....	30	21
\$3 or more.....	9	8

Community size appeared to influence the level of earnings. Employees working in metropolitan areas earned an average of \$1.95 an hour, 38 cents an hour more than those in less populous areas. Earnings of employees in nonmetropolitan areas were grouped towards the lower end of the pay scale: a fourth earned less than \$1.15 and nearly half less than \$1.35, while fewer than a fifth earned as much as \$2 an hour. In metropolitan areas, on the other hand, nearly seven-eighths of the employees earned at least \$1.25, somewhat more than a third \$2 or more, and nearly an eighth at least \$3. The pay differential between the two areas may reflect a higher value of sales per employee in urban than in rural firms, resulting from a greater volume of sales and more rapid turnover of merchandise. According to the 1963 *Census of Business*, the volume of sales per employee in establishments with \$1 million or more in annual

³ The regions used in this study are defined in footnote 3, table 1.

TABLE 2. AVERAGE STRAIGHT-TIME HOURLY EARNINGS¹ AND PERCENT OF NONSUPERVISORY EMPLOYEES IN RETAIL TRADE² EARNING LESS THAN SPECIFIED AMOUNTS OF PAY, UNITED STATES, JUNE 1965

Selected characteristics	Number of employees (thousands)	Average hourly earnings	Percent of employees earning less than—						
			\$1.15	\$1.20	\$1.25	\$1.30	\$1.50	\$2.00	\$2.50
All nonsupervisory employees.....	6,687.0	\$1.85	12.1	17.4	19.3	30.9	44.4	69.8	83.0
Metropolitan areas ³	4,977.4	1.95	7.8	12.7	14.5	25.8	39.6	65.9	80.4
Nonmetropolitan areas.....	1,709.6	1.57	24.7	31.2	33.5	45.7	58.1	81.2	90.9
Men.....	3,913.2	2.04	10.5	13.8	15.0	24.4	34.1	59.2	74.7
Women.....	2,773.8	1.52	14.4	22.5	25.5	40.0	53.8	84.8	94.8
Enterprises with annual sales of \$1,000,000 or more ⁴	3,385.9	1.99	4.0	11.5	13.8	24.3	40.3	65.4	79.9
Establishments with annual sales of \$250,000 or more ⁴	3,142.3	2.02	2.3	9.8	12.1	22.5	38.5	64.0	78.9
Establishments with annual sales of less than \$250,000 ⁴	243.6	1.55	24.7	32.4	35.4	47.5	64.3	83.6	92.3
Enterprises with annual sales of at least \$250,000 but less than \$1,000,000 ⁴	1,399.6	1.88	13.0	16.8	18.3	28.7	40.6	67.0	81.2
Establishments with annual sales of \$250,000 or more ⁴	1,262.3	1.91	11.8	15.4	16.8	27.3	39.0	65.6	80.2
Establishments with annual sales of less than \$250,000 ⁴	137.2	1.62	24.7	29.6	31.6	42.3	55.6	80.2	89.9
Enterprises with annual sales of less than \$250,000 ⁴	1,901.5	1.58	26.0	28.4	30.0	44.1	54.3	79.6	90.1

¹ Excludes premium pay for overtime and for work on weekends, holidays, and late shifts.

² Excluding eating and drinking places.

³ The term "metropolitan areas" as used in this report refers to the cities and county areas defined by the Bureau of the Budget as Standard Metropolitan Statistical Areas. Metropolitan areas include the counties containing

at least 1 central city of 50,000 population and those counties around such cities which are metropolitan in character and economically and socially integrated with the county of the central city.

⁴ Excludes excise taxes at the retail level.

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

TABLE 3. AVERAGE STRAIGHT-TIME HOURLY EARNINGS¹ AND PERCENT OF NONSUPERVISORY EMPLOYEES IN RETAIL TRADE EARNING LESS THAN SPECIFIED AMOUNTS OF PAY, SELECTED KINDS OF BUSINESS, UNITED STATES, JUNE 1965

Kind of retail business	Number of employees (thousands)	Average hourly earnings	Percent of employees earning less than—						
			\$1.15	\$1.20	\$1.25	\$1.30	\$1.50	\$2.00	\$2.50
Building materials, hardware, and farm equipment dealers.....	488.9	\$1.98	6.8	8.6	9.7	19.7	30.4	59.6	77.5
General merchandise stores.....	1,647.3	1.63	9.4	19.2	22.6	36.1	57.0	82.3	91.6
Department stores.....	1,019.3	1.75	2.0	10.3	12.8	27.5	49.9	78.4	89.6
Limited price variety stores.....	277.1	1.31	21.5	39.0	47.4	62.8	83.0	95.2	98.3
Food stores.....	1,366.8	1.91	12.5	18.1	19.8	30.5	41.3	63.0	78.5
Grocery stores.....	1,150.9	1.93	10.9	17.0	18.7	28.5	39.2	61.0	77.5
Automotive dealers and gasoline service stations.....	1,269.8	2.02	13.7	15.2	16.2	25.2	35.6	62.2	77.1
Motor vehicle dealers.....	604.4	2.40	8.0	9.0	9.9	14.9	22.5	45.5	63.4
Gasoline service stations.....	476.1	1.52	23.4	25.5	26.6	40.3	54.5	83.4	93.9
Apparel and accessory stores.....	582.1	1.70	12.6	20.3	22.2	35.2	50.3	77.2	89.8
Men's and boys' clothing and furnishings stores.....	98.5	1.92	8.4	12.6	13.9	25.9	36.2	64.7	82.3
Women's ready-to-wear stores.....	215.0	1.55	15.6	26.0	28.7	42.0	58.7	84.5	94.3
Shoe stores.....	105.0	1.84	11.4	16.9	19.1	28.3	42.5	69.5	85.5
Furniture, home furnishings, and household appliance stores.....	363.9	2.10	7.9	9.7	10.7	20.1	29.4	57.9	74.6
Furniture, home furnishings, and equipment stores.....	232.4	2.10	8.0	10.2	11.3	21.3	30.6	58.9	74.1
Household appliance stores.....	79.0	2.09	7.1	8.5	9.2	18.1	26.6	54.7	74.9
Miscellaneous retail stores.....	968.2	1.75	18.3	21.8	23.6	37.1	47.7	73.2	84.5
Drug and proprietary stores.....	371.8	1.56	28.9	35.0	37.6	52.6	63.1	81.6	88.2

¹ Excludes premium pay for overtime and for work on weekends, holidays, and late shifts.

sales was 14 percent higher than in smaller establishments, and 76 percent of the retail establishments (except eating and drinking places) which had annual sales of \$1 million or more were in metropolitan areas.⁴

The influence which the sales size of the enterprise and establishment in which he works has on an employee's earnings was brought out when data for retail establishments were tabulated according to these characteristics. Establishments were divided into two groups—those with an annual sales volume of \$250,000 or more and those with a lower sales volume. Establishments in each group were further classified by the annual sales volume of the parent enterprise.

Employees in enterprises with \$1 million or more in annual sales were found to average \$1.99 an hour—11 cents an hour more than those in the intermediate size enterprises, and 41 cents an hour more than those in enterprises with less than \$250,000 in annual sales. Similarly, regardless of the enterprise group, employees in establishments with \$250,000 or more in sales averaged more than their counterparts in lower volume establishments.

A wide distribution of employee earnings in retail trade is partially attributable to the variation in earnings among employees of the seven major industry groups which constitute the industry (except eating and drinking places). The average pay level ranged from \$1.63 in general merchandise stores to \$2.10 in furniture and household appliance stores (table 3). Employees in apparel and in miscellaneous retail stores also averaged less than the \$1.85 earnings level re-

corded for all retail trade. The average was exceeded by employees in food stores, building materials establishments, and at automotive dealers and gasoline service stations, in addition to those in furniture and appliance stores. Employment was almost evenly divided between the groups with earnings below and those with earnings above the industry average, 48 percent in the former and 52 percent in the latter group.

Interindustry differences in pay levels and earnings distributions, which result partly from differences in skill requirements and methods of wage payment, are sometimes hidden when a major group is examined in its entirety and its component industries are not considered. The automotive dealers and gasoline service stations major group may serve as an example.

About half the employees in the automotive dealers and gasoline stations group worked at motor vehicle dealers and nearly two-fifths worked at gasoline stations. Most motor vehicle dealers employ a large proportion of highly skilled automotive mechanics and automobile salesmen, and frequently pay them on a commission basis. The typical job at a gasoline station, on the other hand, requires relatively little skill or experience, and employees are usually paid on a time basis. Employees at motor vehicle dealers earned an average of \$2.40 an hour, 88 cents an hour more than those at gasoline stations. Among employees at motor vehicle dealers only a tenth earned less than \$1.25 and more than a

⁴ *Census of Business, 1963. Retail Trade: Sales Size.* (U.S. Bureau of the Census), BC63-RS2, tables 2 and 5.

third received at least \$2.50 an hour. In contrast, more than a fourth of the gasoline station employees earned less than \$1.25 and fewer than a tenth were paid as much as \$2.50.

Weekly Hours of Work

Employees in retail trade worked an average of 36.9 hours a week in June 1965 (table 4). More employees were found at the 40-hour mark than at any other point along the hours scale, but they constituted only a fourth of the industry's work force. Part-time work (less than 35 hours a week) and a relatively long workweek (48 hours or more) were both widespread, applying to three-tenths and nearly a fifth of the employees, respectively.

The South was the region with the longest average workweek—39.6 hours, or 2.6 hours longer than the average in the West, the region with the next highest average. This longer workweek may, in part, reflect an attempt by some lower paid employees in the South to boost their weekly earnings by working longer hours. Thus, more than a fourth of the employees in the region worked 48 hours or more during the week, accounting for 2 of every 5 retail employees with such hours. On the other hand, fewer than a fourth of the southern employees worked part time, compared with nearly three-tenths to somewhat more than a third among the other regions. In the West, a relatively large proportion of em-

TABLE 4. PERCENT DISTRIBUTION OF NONSUPERVISORY EMPLOYEES IN RETAIL TRADE¹ BY WEEKLY HOURS OF WORK, UNITED STATES AND REGIONS,² JUNE 1965

Weekly hours of work	United States	North-east	South	North Central	West
Under 15.....	8.3	10.1	6.4	9.0	7.6
15 and under 35.....	21.6	26.0	16.2	24.0	20.2
35 and under 40.....	9.9	13.1	8.9	9.7	7.0
40.....	24.9	24.6	21.4	22.9	33.8
Over 40 and under 48.....	16.3	13.7	20.3	16.5	13.4
48 and over.....	18.9	12.5	26.7	17.9	17.8
Total.....	100.0	100.0	100.0	100.0	100.0
Number of employees (in thousands).....	6,687.0	1,752.1	1,884.4	1,864.8	1,185.7
Average weekly hours.....	36.9	34.4	39.6	36.3	37.0

¹ Excludes eating and drinking places.

² For definition of regions used here, see footnote 3, table 1.

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

ployees—a third, compared with fewer than a fourth in the other regions—worked exactly 40 hours.

Men, on the average, worked 39.3 hours a week, nearly 6 hours more than women (table 5). Women made up a disproportionately large part of the part-time work force whereas men generally worked the long hours. Thus, while women constituted about two-fifths of all employees, every other part-time employee was a woman.

Employees in metropolitan areas had a shorter workweek, on the average, than their counterparts in less populous areas. Part-time work, as well as a 40-hour workweek, were more common in metropolitan areas, while a workweek of 48 hours or more prevailed for a relatively large part of the nonmetropolitan area work force.

TABLE 5. PERCENT DISTRIBUTION OF NONSUPERVISORY EMPLOYEES IN RETAIL TRADE¹ BY WEEKLY HOURS OF WORK, SELECTED CHARACTERISTICS, UNITED STATES, JUNE 1965

Selected characteristics	Number of employees (thousands)	Average weekly hours	Percent of employees working—					
			Under 15 hours	15 and under 35 hours	35 and under 40 hours	40 hours	Over 40 and under 48 hours	48 hours and over
All nonsupervisory employees.....	6,687.0	36.9	8.3	21.6	9.9	24.9	16.3	18.9
Metropolitan areas ²	4,977.4	36.0	8.5	23.1	10.7	27.0	15.4	15.4
Nonmetropolitan areas.....	1,709.6	39.3	7.9	17.4	7.5	18.6	19.3	29.3
Men.....	3,913.2	39.3	7.7	17.0	4.9	21.9	19.9	28.6
Women.....	2,773.8	33.4	9.2	28.2	16.9	29.0	11.3	5.3
Enterprises with annual sales of \$1,000,000 or more ³	3,385.9	35.7	7.9	23.0	13.1	28.3	16.0	11.6
Establishments with annual sales of \$250,000 or more ³	3,142.3	35.8	7.4	23.0	13.4	28.9	16.3	10.9
Establishments with annual sales of less than \$250,000 ³	243.6	35.1	13.6	23.4	8.9	21.2	12.5	20.3
Enterprises with annual sales of at least \$250,000 but less than \$1,000,000 ³	1,399.6	39.3	6.9	16.3	6.8	23.0	20.4	26.5
Establishments with annual sales of \$250,000 or more ³	1,262.3	39.6	6.5	15.8	6.9	23.7	20.8	26.3
Establishments with annual sales of less than \$250,000 ³	137.2	37.3	10.5	20.8	6.5	17.0	17.3	27.9
Enterprises with annual sales of less than \$250,000 ³	1,901.5	37.1	10.1	23.1	6.5	20.0	13.7	26.5

¹ Excludes eating and drinking places.

² For definition of metropolitan areas, as used here, see footnote 3, table 2.

³ Excludes excise taxes at retail level.

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

TABLE 6. PERCENT DISTRIBUTION OF NONSUPERVISORY EMPLOYEES IN RETAIL TRADE BY WEEKLY HOURS OF WORK, SELECTED KINDS OF BUSINESS, UNITED STATES, JUNE 1965

Kinds of retail business	Number of employees (thousands)	Average weekly hours	Percent of employees working—					
			Under 15 hours	15 and under 35 hours	35 and under 40 hours	40 hours	Over 40 and under 48 hours	48 hours and over
Building materials, hardware, and farm equipment dealers	488.9	42.3	4.1	10.5	4.3	23.2	24.2	33.5
General merchandise stores	1,647.3	34.0	9.1	25.3	18.6	30.0	10.6	6.3
Department stores	1,019.3	33.6	8.4	26.1	19.5	33.6	9.6	2.9
Limited price variety stores	277.1	31.7	13.1	29.3	22.0	22.1	9.7	3.7
Food stores	1,366.8	34.3	10.3	30.4	6.3	25.0	13.0	15.0
Grocery stores	1,150.9	34.3	10.2	30.5	6.4	24.8	13.9	14.2
Automotive dealers and gasoline service stations	1,269.8	42.8	4.9	12.1	3.9	15.6	24.9	38.5
Motor vehicle dealers	604.4	43.7	1.9	5.9	3.8	17.5	39.0	31.9
Gasoline service stations	476.1	41.6	8.7	21.3	4.1	11.3	7.9	46.7
Apparel and accessory stores	582.1	33.8	11.6	24.2	15.6	25.7	13.2	9.7
Men's and boys' clothing and furnishings stores	98.5	36.7	9.7	18.9	8.1	24.7	18.6	20.0
Women's ready-to-wear stores	215.0	32.6	10.5	29.0	20.7	25.6	10.2	3.9
Shoe stores	105.0	33.8	16.1	20.4	8.1	21.0	17.9	16.5
Furniture, home furnishings, and household appliance stores	363.9	38.9	5.8	13.5	7.3	31.2	21.9	20.2
Furniture, home furnishings, and equipment stores	232.4	39.0	5.0	13.7	8.7	30.3	22.7	19.7
Household appliance stores	79.0	39.8	5.3	12.1	3.7	33.1	22.8	23.0
Miscellaneous retail stores	968.2	35.9	9.8	22.9	8.4	25.8	15.0	18.1
Drug and proprietary stores	371.8	33.4	11.9	29.9	9.0	21.7	13.7	13.8

A relationship between average weekly hours and enterprise size was not evident from the data. Employees in enterprises with highest sales volume had the shortest workweek, but those in the intermediate size enterprises the longest. In the largest enterprises, more than two-fifths of the employees worked 35 to 40 hours, a greater proportion than in either of the other enterprises, while all but about an eighth worked fewer than 48 hours, the largest proportion among the enterprise groups. The smallest enterprises had the largest proportion of part-time employees, a third.

Employees in establishments with \$250,000 or more in annual sales worked longer hours than their counterparts in lower sales volume establishments which were part of the same enterprise group. However, when employees were grouped by sales volume of establishments regardless of enterprise size, the length of the average workweek was 36.9 hours, in both establishment groups.

Among the various sales-volume groups, the smallest proportion of employees working longer than 40 hours a week (about a fourth) was found in establishments with \$250,000 or more in sales which were parts of enterprises with \$1 million or more in sales. This is of interest since employees in these establishments made up the vast majority of those brought under the maximum hours provisions of the Fair Labor Standards Act amendments of 1961. Under the terms of the amendments, most large retail establishments would have to pay their employees time and one-half for work after 44 hours a week beginning September 1963, after 42 hours starting September

1964, and after 40 hours beginning September 1965. However, in June 1961, prior to the implementation of the amendments, a survey similar to this revealed that even then these establishments had the smallest proportion of employees working longer than 40 hours.⁵

Among employees of the major industry groups, the average number of hours worked during the week ranged from 33.8 for those in apparel and accessory stores to 42.8 for those at automotive dealers and gasoline service stations (table 6). With an average of 42.3 and 38.9 hours a week, respectively, employees in building materials and hardware dealerships, as well as in furniture and appliance stores, were the only others who worked longer than the industry average.

The average workweek varied more widely among the 11 selected retail groups, ranging in duration from 31.7 hours for employees in limited price variety stores to 43.7 hours for those at motor vehicle dealers. Employees in gasoline stations, furniture stores, and appliance stores also worked longer, on the average, than the all-industry average workweek.

Relation of Hours and Earnings

Employees in retail trade were grouped by their average hourly earnings and, within each earnings group, were distributed by their weekly hours of work. Tabulating the data in this manner revealed that among lower paid employees

⁵ See *Employee Earnings in Retail Trade, June 1961* (BLS Bulletin 1338-8, 1963), table 15.

(those paid less than \$1.25 an hour) part time as well as relatively long weeks (although to a lesser extent) were more common than among the employees who received \$1.50 an hour or more, as shown below:

Percent of workers with average hourly earnings of—

<i>Weekly hours</i>	<i>Under \$1</i>	<i>Under \$1.15</i>	<i>Under \$1.25</i>	<i>\$1.50 and over</i>	<i>\$2 and over</i>	<i>\$2.50 and over</i>	<i>\$3 and over</i>
Under 35.....	35	41	42	20	15	11	11
40 to 42 inclusive.....	13	15	17	36	41	46	47
Over 42.....	45	38	31	35	37	37	37
48 and over.....	34	27	21	20	19	18	17

At the same time, the proportion of employees working from 40 to 42 hours, inclusive, increased at each progressively higher point on the pay scale.

The fact that a relatively large proportion of lower paid employees work part time is clear, but the relationship which exists between lower earnings and long workweeks is somewhat blurred. This relationship becomes striking when employees are grouped by the number of hours worked each week and, within each hours grouping, distributed by their average hourly earnings. Thus, among employees working part time as well as among those working long hours, greater proportions earned less than \$1.25 an hour than among those working 40 to 42 hours. This last hours group, on the other hand, had the greatest proportion of employees paid \$1.50 or more and the smallest proportion of those receiving less than \$1.25 an hour.

Percent of employees with weekly hours of work of—

<i>Average hourly earnings</i>	<i>Under 35</i>	<i>40 to 42 inclusive</i>	<i>Over 42</i>	<i>48 and over</i>
Under \$1.....	6	3	8	10
Under \$1.15.....	16	6	15	17
Under \$1.25.....	27	11	19	22
\$1.50 and over.....	38	70	62	58
\$2 and over.....	15	43	36	31
\$2.50 and over.....	6	27	20	16
\$3 and over.....	3	15	11	8

Weekly Earnings by Weekly Hours

Employees in retail trade earned an average of \$68.07 a week in June 1965 (see following tabulation), the earnings ranging from \$13.56 for those who spent less than 15 hours a week at work to \$98.36 for those who worked 44 hours. Longer hours did not always bring employees higher weekly earnings. Those who worked over 40 but

less than 44 hours averaged less per week than those who worked 40 hours. Thus, even by working longer hours, some employees, because of their lower hourly earnings, earned less per week (on a straight-time basis) than employees with shorter hours but higher hourly earnings.

Although employees in the South worked longer hours, on the average, than those in the other regions, their weekly earnings were not on a par with those in any other region. However, the earnings differential between the South and each of the other regions was narrower on a weekly than on an hourly basis.

The tabulation below presents comparisons by various characteristics:

	<i>Average weekly earnings</i>
United States.....	\$68.07
Northeast.....	67.27
South.....	60.95
North Central.....	66.96
West.....	82.34
Metropolitan areas.....	70.31
Nonmetropolitan areas.....	61.58
Men.....	80.24
Women.....	50.91
Employees in enterprises with \$1 million or more in sales.....	70.98
Establishments with \$250,000 or more in sales.....	72.29
Establishments with less than \$250,000 in sales.....	54.20
Enterprises with \$250,000 to \$1 million in sales.....	73.92
Establishments with \$250,000 or more in sales.....	75.40
Establishments with less than \$250,000 in sales.....	60.30
Enterprises with less than \$250,000 in sales.....	58.59

The earnings differential between metropolitan and nonmetropolitan areas was smaller on a weekly basis than on an hourly basis. On the other hand, the relative difference between men's and women's weekly earnings was greater than that between their hourly earnings. It reflected the fact that men had higher hourly earnings than women and worked longer hours.

Employees in establishments with \$250,000 or more in annual sales which were parts of enterprises with between \$250,000 and \$1 million in sales, had the highest weekly earnings of any establishment grouping. Although they averaged less on an hourly basis than employees in similar establishments in \$1 million enterprises, their substantially longer (by 3.8 hours) workweek made their weekly earnings the highest.

—ALVIN BAUMAN

Division of National Wage and Salary Income

New Facts and New Law in the NLRB Annual Report

EDITOR'S NOTE.—*The following article has been excerpted from the Thirtieth Annual Report of the National Labor Relations Board for the Fiscal Year Ended June 30, 1965. Minor changes have been made for ease of reading and signs to note deletions have not been employed.*

IN THE COURSE of the Board's administration of the act during the report year, it was required to consider and determine many complex problems arising from the innumerable factual variations in the cases reaching it. In some cases new developments in industrial relations, as presented by the factual situations, required the Board's accommodation of established principles to those developments. In others, the Board was required to make an initial construction of statutory provisions.

Representation Cases

The "separability for unit purposes between selling and nonselling personnel in the retail store industry" was of primary concern to the Board in several cases in which bargaining units of retail department store employees less than storewide in scope were approved.¹ In the absence of prior bargaining history and with no union seeking a storewide unit, the Board concluded after evaluation of conventional unit determination criteria that, although a storewide unit in retail establishments is "basically appropriate" the "optimum unit," it is not the only appropriate unit.

Union Rules

The efforts of unions to enforce rules of their own making designed to regulate the actions of their members under certain circumstances may or may not be protected by the proviso to section 8(b)(1)(A) even though coercive in their impact upon the employee-members. When cases involving such efforts come before the Board the question usually is whether in enforcing its rule the union has remained within the area of union-member

relationship or affected the area of employer-employee relationship. In *Local 138, IUOE*,² the Board held that a union may not through its internal procedures impose a fine upon a member for filing charges with the Board even though the member thereby violated the union's rule requiring exhaustion first of its prescribed grievance procedure.

The Board concluded that its affirmative duty to protect employees who participated in the Board's processes required that "no private organization should be permitted to prevent or regulate access to the Board, and a rule requiring exhaustion of internal union remedies by means of which a union seeks to prevent or limit access to the Board's processes is beyond the lawful competency of a labor organization to enforce, by coercive means."

Racial Discrimination

In *Local 1367, ILLA*,³ the Board found that a local union comprised of white members only and its parent district organization, acting as joint representatives, in contravention of section 8(b)(1)(A) violated their duties of fair representation by maintaining and enforcing a contract provision which allocated longshoremen job referrals on a 75-25 percent ratio between the white local and the sister Negro local, and by enforcing a "no doubling" arrangement forbidding the assignment of white and Negro gangs to work together in ship hatches.

In *Local Union No. 12, United Rubber Workers*,⁴ although racially discriminatory provisions had been eliminated from the contract, the local union continued to support segregated plant facilities. It had also refused to process grievances asserted by Negro employees seeking the elimination of the segregated facilities, as well as the recovery of backpay lost through the application of the racially discriminatory layoff priorities established by the since-eliminated contract pro-

¹ *Allied Stores of New York, Inc., d.b.a. Stern's, Paramus*, 150 NLRB 799; *Arnold Constable Corp.*, 150 NLRB 788; *Lord & Taylor*, 150 NLRB 812. See *Monthly Labor Review* March 1965, p. iii.

² 148 NLRB 679.

³ 148 NLRB 897.

⁴ 150 NLRB 312.

visions. The Board found that the refusal to process the grievances was for racially discriminatory reasons, and therefore a violation of the duty of fair representation owed the employees.

Bargaining

The scope of the obligation of an employer to bargain with the representative of his employees was further delineated through a number of significant Board decisions. Not only were the terms "employer" and "employee" further defined, but the Board's *Fibreboard* decision concerning the obligation to bargain about the subcontracting of unit work, which was affirmed by the Supreme Court during the report year, received explication in the course of a substantial number of decisions requiring its application.

In adhering to a case-by-case approach the Board has identified recurrent factors which in its view place particular limits upon the scope of the *Fibreboard* doctrine. It has emphasized that some contracting in accordance with an employer's established practice may not constitute violations.⁵ Although the Board has made it clear that the principle is not limited in its application to those situations in which the subcontracting results in permanent elimination of an entire department or unit, or of individual jobs, it has also made it clear that unless the action results in "significant detriment" to the employment expectations of the unit employees it may not constitute a violation of the statute.⁶

A significant development in remedial provisions prescribed by the Board in plant relocation situations occurred in another case. Although in cases where an employer has relocated his plant at a distant location in order to avoid his statutory

bargaining obligation, the Board has not heretofore imposed a bargaining obligation at the new location until the representative reestablished its majority, in *Garwin Corp. et al.*,⁷ the Board concluded that such an order should be issued "if the purposes of the act are to be served in this type of case." Approaching the problem as one of balancing the interests of the newly hired employees, whose very jobs existed only by virtue of the unfair labor practices and the inadequacy of the Board's usual offer-of-reinstatement remedy, against the value of a bargaining order wherever the employer remains which will dissipate the consequences of a deliberate violation of the statute, the Board concluded that the balance should be struck in favor of the statutory objective of a meaningful remedy.

Hot-Cargo Agreements

Although many of the implications of section 8(e) of the act have been resolved in litigation, additional problems of construction continue to arise as unions seek to obtain contract clauses affording the fullest permissible protection to their work unit and standards. In *Greater Muskegon General Contractors Association*,⁸ a construction union struck to obtain inclusion in the contract of a clause which provided that the union members could "refuse to work on any job where any of the work, irrespective of craft," was performed under conditions less favorable than the union standards for that craft. Finding that the clause extended "beyond protection of the work and work standards of the employees represented by the union," the Board concluded that the employer's acceptance of such a clause permitting employees to refuse to work in the event he does business with another employer considered objectionable by the union, was the equivalent of an agreement by the employer not to do business with any other employers within the meaning of section 8(e).

⁵ *Shell Oil Co.*, 149 NLRB 283.

⁶ *American Oil Co.*, 151 NLRB 421.

⁷ 153 NLRB No. 59.

⁸ 152 NLRB No. 38.

Earnings in Synthetic Textile Mills, September 1965

STRAIGHT-TIME HOURLY EARNINGS of production and related workers in synthetic textile mills averaged \$1.74 in September 1965¹—the same as for workers in cotton textile mills surveyed in the same month by the Bureau of Labor Statistics.² The average was 11 percent higher than in May 1963, when a similar survey was conducted,³ with much of the increase due to general wage changes. Many of the mills in the Southeast, where three-fourths of the workers were employed, raised wages by approximately 5 percent on each of three separate occasions. New England mills increased wages by about 5 percent in April 1964, and again in April 1965.⁴ Employment in September 1965, was about 20 percent higher than in May 1963.

Earnings of workers in September 1965 varied by location, size and type of mill, type of product, and occupation. Almost all of the 100,353 production workers in the regular textile operations⁵ of the synthetic textile mills covered by the survey had earnings within a range of \$1.25 to \$2.50 an hour; the middle half ranged from \$1.52 to \$1.94.

¹The survey covered mills employing 20 workers or more, primarily engaged in manufacturing silk or man-made yarn (or thread) and broadwoven fabrics (12 inches or more in width). Mills manufacturing mixtures containing 25 percent or more wool were excluded.

Earnings information developed by the survey excludes premium pay for overtime and for work on weekends, holidays, and late shifts and, thus, is not comparable with the gross average hourly earnings published in the Bureau's monthly hours and earnings series. The monthly series provides data for silk and synthetic broadwoven fabric mills (weaving and integrated mills). These mills, as well as those primarily engaged in spinning yarn or thread, are included in this survey.

A more comprehensive account of this survey will be presented in a forthcoming BLS bulletin. Separate releases providing information on earnings and supplementary benefits for selected areas and States are available upon request to the Bureau or any of its regional offices.

² See pp. 765-768, of this issue.

³ For an account of the earlier survey, see *Monthly Labor Review*, June 1964, pp. 677-679.

⁴ Late in March 1966, some large New England textile companies and the Textile Workers Union of America negotiated 3-year contracts with wage increases totaling 23 cents: 10 cents an hour in April 1966, 6 cents in April 1967, and 7 cents in April 1968. These increases are not included in the earnings data presented in this article.

⁵ Earnings data for an estimated 3,783 workers employed in bleaching, cloth dyeing and finishing, and fabricating departments are excluded from earnings information in this article. These workers were included, however, in developing the proportions of production workers in mills providing selected supplementary benefits.

⁶ For definition of regions used in this study, see table, footnote 2.

Paid vacations, as well as various types of health and insurance benefits, were provided by establishments employing nearly all of the workers. Mills having collective bargaining agreements accounted for nearly three-fifths of the workers in New England, two-fifths in the Middle Atlantic region, and about 1 percent in the Southeast.⁶ The major union in the industry was the Textile Workers Union of America.

Earnings

Workers in the Southeast region averaged \$1.72 an hour in September 1965, compared with \$1.77 for workers in the Middle Atlantic and \$1.85 for those in New England. As indicated in the following tabulation, wage levels varied by area within each region:

<i>Selected States and areas</i>	<i>Number of production workers</i>	<i>Average hourly earnings</i>
New England:		
Maine and New Hampshire.....	1,491	\$1.77
Southern New England.....	9,728	1.86
Middle Atlantic:		
Allentown-Bethlehem-Easton, Pa.-N.J.	1,110	1.89
Paterson-Clifton-Passaic, N.J.	1,194	2.29
Scranton, Pa.	2,006	1.57
Wilkes-Barre-Hazleton, Pa.	1,363	1.60
Southeast:		
Georgia.....	5,723	1.66
North Carolina.....	40,271	1.70
Charlotte, N.C.	14,790	1.67
Winston-Salem-High Point, N.C.	10,479	1.74

Nationwide, and in each of the two regions permitting comparisons, average hourly earnings of all workers were highest in weaving mills and lowest in spinning mills, with integrated mills (those having both spinning and weaving operations) in an intermediary position. Although the disproportionate influence of skilled weaving jobs was a contributing factor, workers in yarn mills nearly always averaged less than workers in the other two types of mills among those occupations for which comparisons could be made.

Averages also varied by predominant class of fabric, ranging from \$1.73 an hour in mills producing silk and silk-mixture fabrics to \$1.87 in those producing pile, upholstery, drapery, tapestry, and tie fabrics. In the Southeast, hourly averages for the fabric classifications shown were within a 5-cent range; in New England, the range in averages for corresponding fabric classifications was 18 cents. A similar comparison for the Middle Atlantic region was not possible.

In the Middle Atlantic and Southeast regions, workers in metropolitan areas averaged considerably more than workers in smaller communities; in New England, however, averages were nearly identical. In the Southeast, the only region where comparison by size of mill is feasible, averages in mills employing 250 workers or more were higher than those reported in smaller mills.

About three-fifths of the workers in regular textile departments were men; they averaged \$1.82 an hour, while women averaged \$1.63. Differences in average pay levels for men and women may be the result of several factors including variation in the distribution of the sexes among establishments and among jobs with disparate pay levels.

Earnings of almost all workers were between \$1.25 and \$2.50 an hour, but the distribution of workers within specified earnings classes varied by region. For example, 5 percent of the workers in New England earned less than \$1.50 an hour, compared with 21 percent in the Southeast and 35 percent in the Middle Atlantic region. Corresponding percentages of workers earning \$2.50 or more were 3.3, 0.8, and 9.2 percent.

Women were principally employed in occupations with similar skill requirements, and their earnings were more concentrated than those of men. Nationally, the middle half of the earnings range was \$1.50–\$1.74 for women, compared with \$1.54–\$2.08 for men.

Information on earnings was obtained separately for a number of jobs selected to represent the types of skills and manufacturing operations in the industry. (See accompanying table for some of these jobs.) Pay relationships among the regions varied by occupation.

Earnings of individual workers were widely distributed within the same job and geographic area. In some jobs, particularly those paid on an incentive basis,⁷ the highest hourly earnings exceeded the lowest in the same occupation and area by \$1 or more. Thus, a number of workers in compara-

tively low-paid jobs (as measured by the average for all workers) earned more than some workers in jobs for which significantly higher averages were recorded. For example, some women employed as yarn winders (cone and tube, nonautomatic) earned as much as \$2.40 an hour, and some men doobby-loom weavers as low as \$1.80—despite a 47-cent average wage advantage for men doobby-loom weavers over this group of yarn winders.

Establishment Practices

Work schedules of 48 hours a week applied to about seven-tenths of the production workers in the Southeast; in the Middle Atlantic and New England regions similar proportions were scheduled to work 40 hours a week. Nearly all mills had provisions for extra shift operations for most production departments. In each of the three regions, approximately three-tenths of the workers were employed on second shifts at the time of the study; in the Middle Atlantic region about one-half of these workers received differential pay, but this practice was not common in the Southeast or New England regions. Third-shift operations accounted for one-fourth of the workers in the Southeast, and for slightly more than one-sixth in the other two regions. Third-shift workers usually received 5 cents an hour above day rates in the Southeast and 7 cents in the New England region; in the Middle Atlantic region differential pay for third-shift work was varied, with no single amount predominating.

Paid holidays were provided by mills employing three-fifths of all production workers; almost all in New England, nine-tenths in the Middle Atlantic region, and a half in the Southeast. Most commonly, workers in New England received 6 paid holidays annually; 6 and 8 days were about equally common in the Middle Atlantic region. In the Southeast, 2 paid holidays usually applied to those granted any holiday pay.

Paid vacations (after qualifying periods of service) were provided to production workers by almost all of the mills studied. Typical vacation payments—usually based on a stipulated percentage of the employee's annual earnings⁸—were 1 week's pay after 1 year of service and 2 weeks' pay after 5 years or more. Provisions for 3 weeks of

⁷ Incentive systems, nearly always individual piece rates, applied to about three-tenths of the workers in the Southeast, a fourth in the Middle Atlantic, and nearly a fifth in New England. Incentive workers included seven-eighths of the weavers; a majority of spinning-frame doffers and slubber tenders; and nearly half of the yarn winders.

⁸ For purposes of this study, percentage payments were converted to an equivalent time basis.

NUMBER AND AVERAGE STRAIGHT-TIME HOURLY EARNINGS¹ OF PRODUCTION WORKERS IN SYNTHETIC TEXTILE MILLS
SELECTED CHARACTERISTICS AND SELECTED REGIONS,² SEPTEMBER 1965

Characteristic	United States ³		New England		Middle Atlantic		Southeast	
	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹
ALL MILLS								
All production workers.....	100,353	\$1.74	11,219	\$1.85	14,433	\$1.77	73,979	\$1.72
Men.....	59,782	1.82	6,598	1.95	7,167	1.95	45,679	1.78
Women.....	40,571	1.63	4,621	1.70	7,266	1.59	28,300	1.62
SIZE OF COMMUNITY								
Metropolitan areas ⁴	31,545	1.81	6,912	1.85	10,985	1.81	12,926	1.79
Nonmetropolitan areas.....	68,808	1.71	4,307	1.84	3,448	1.64	61,053	1.70
SIZE OF ESTABLISHMENT								
20-249 workers.....	24,149	1.73	5,410	1.84	7,956	1.85	10,783	1.59
250-499 workers.....	30,356	1.73	3,138	1.88	5,890	1.65	20,612	1.73
500-999 workers.....	33,897	1.75	-----	-----	-----	-----	32,273	1.75
1,000 workers or more.....	11,951	1.75	-----	-----	-----	-----	10,311	1.73
TYPE OF MILL								
Yarn or thread mill.....	29,825	1.58	3,416	1.74	4,687	1.50	21,722	1.57
Filament yarn or thread.....	11,808	1.53	-----	-----	4,178	1.48	7,216	1.56
Spun yarn or thread.....	18,017	1.61	3,002	1.76	-----	-----	14,506	1.58
Weaving mills.....	35,314	1.84	5,139	1.92	8,836	1.89	21,339	1.81
Integrated mills.....	35,214	1.77	2,665	1.86	-----	-----	30,918	1.76
FIBER CONTENT OF PREDOMINANT PRODUCT								
Synthetic fibers only.....	80,739	1.72	10,580	1.84	12,483	1.70	56,954	1.70
Blends of synthetic and cotton fibers.....	19,614	1.84	-----	-----	1,950	2.17	17,025	1.79
PREDOMINANT CLASS OF FABRICS⁵								
Filament flat fabrics.....	14,812	1.84	4,200	1.88	1,861	1.93	8,751	1.81
Filament twisted yarn fabrics.....	5,290	1.80	1,000	1.84	-----	-----	3,363	1.82
Spun synthetic fabrics.....	34,174	1.77	1,144	1.84	-----	-----	32,094	1.77
Silk and silk mixture fabrics.....	1,071	1.73	-----	-----	1,071	1.73	-----	-----
Pile, upholstery, drapery, tapestry, and tie fabrics.....	14,990	1.87	1,459	2.02	5,672	1.95	7,859	1.78
SELECTED OCCUPATIONS								
Battery hands (480 men and 1,885 women).....	2,365	1.54	308	1.58	371	1.46	1,666	1.54
Card grinders (all men).....	268	1.98	18	1.93	-----	-----	246	1.99
Doffers, spinning-frame (1,666 men and 94 women).....	1,760	1.76	121	1.78	-----	-----	1,589	1.76
Drawing-frame tenders (756 men and 366 women).....	1,122	1.65	82	1.75	107	1.68	927	1.63
Electricians, maintenance (all men).....	252	2.18	26	2.44	23	2.18	203	2.14
Inspectors, cloth, machine (543 men and 2,722 women).....	3,265	1.62	495	1.62	520	1.60	2,286	1.62
Janitors, except machinery cleaners (1,326 men and 99 women).....	1,425	1.46	84	1.54	120	1.55	1,197	1.44
Loom fixers (all men).....	5,240	2.39	921	2.33	872	2.56	3,433	2.36
Machinists, maintenance (all men).....	348	2.21	35	2.33	11	2.56	302	2.18
Slubber tenders (1,160 men and 273 women).....	1,433	1.77	69	1.97	-----	-----	1,350	1.76
Spinners, ring-frame (435 men and 4,399 women).....	4,834	1.68	450	1.77	184	1.71	4,132	1.66
Truckers, hand, including bobbin boys (3,039 men and 19 women).....	3,058	1.50	179	1.62	389	1.48	2,488	1.49
Twister tenders, ring-frame (1,242 men and 2,659 women).....	3,901	1.59	386	1.62	1,011	1.50	2,456	1.61
Uptwisters (777 men and 665 women).....	1,442	1.55	69	1.70	584	1.43	739	1.63
Warper tenders (392 men and 567 women).....	959	1.78	104	1.81	390	1.82	463	1.73
Weavers (6,349 men and 2,925 women).....	9,274	2.11	1,179	2.08	2,264	2.21	5,803	2.08
Box looms (1,231 men and 360 women).....	1,591	2.12	183	2.13	609	2.08	799	2.15
Dobby looms (2,442 men and 1,128 women).....	3,570	2.09	373	2.04	507	2.12	2,690	2.09
Jacquard looms (1,435 men and 461 women).....	1,896	2.22	123	2.35	1,095	2.34	678	1.99
Plain looms (1,241 men and 976 women).....	2,217	2.04	500	2.02	53	2.04	1,636	2.05
Winders, yarn (287 men and 12,263 women).....	12,550	1.60	1,008	1.67	2,685	1.50	8,729	1.61

¹ Excludes premium pay for overtime and for work on weekends, holidays, and late shifts. Also excluded are data for an estimated 3,783 workers (with an average of \$1.65 an hour) employed in bleaching, cloth dyeing and finishing, and fabricating departments.

² The regions used in this study are: *New England*—Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; *Middle Atlantic*—New Jersey, New York, and Pennsylvania; and *Southeast*—Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

³ Includes data for regions in addition to those shown separately. Alaska and Hawaii were not included in the study.

⁴ The term "metropolitan areas" as used in this study refers to Standard Metropolitan Statistical Areas as defined by the U.S. Bureau of the Budget through March 1965.

⁵ Includes weaving and integrated mills only. Data could not be shown separately for synthetic-wool fabric mills.

NOTE: Dashes indicate no data reported or data that do not meet publication criteria.

vacation pay after 25 years of service applied to about a tenth of the production workers.

More than nine-tenths of the production workers were in mills that paid at least part of the cost of life, hospitalization, and surgical insurance. Sickness and accident insurance was available to two-thirds of the production workers and acci-

dental death and dismemberment insurance to about three-fifths. Medical insurance was provided by establishments with approximately one-half of the workers, and catastrophe insurance was available to a sixth. Most of the benefits were provided under plans usually financed wholly by the employer in each region.

Pension plans, providing regular payments (other than Federal social security) to workers on retirement, were provided by mills employing two-fifths of the production workers. Regionally the proportions were a tenth in New England, a fourth in the Middle Atlantic, and one-half in the Southeast. In the latter region, benefits for most of the workers in these mills were financed through annuity-type profit-sharing plans; in the New England and Middle Atlantic regions, plans mak-

ing predetermined payments were the predominant type. Plans providing lump-sum payments upon retirement applied to 6 percent of the workers.

Mills having formal profit-sharing plans, usually providing for deferred distribution, accounted for about one-fourth of the production workers.

—CHARLES M. O'CONNOR
Division of Occupational Pay

Earnings in Cotton Textile Mills, September 1965

STRAIGHT-TIME EARNINGS of production and related workers in cotton textile mills averaged \$1.74 an hour in September 1965, according to a survey conducted by the Bureau of Labor Statistics.¹ The average was nearly 14 percent higher than in May 1963, when a similar survey was conducted.²

Much of this rise was due to general wage increases in the Southeast region, which accounted for 94 percent of the industry's work force. In this region, many of the mills increased wages by about 5 percent on each of three occasions between the two survey dates. Most New England mills increased wages by about 5 percent in April 1964, and by a like amount in April 1965.³ As Commissioner of Labor Statistics Arthur M. Ross indicated in his February 8, 1966, statement to the Joint Economic Committee of the U.S. Congress,⁴ these general wage increases reflect many factors. With specific reference to the Southern textile industry, he said, "textile [wage] increases reflect not only the widespread prosperity in the country as a whole, but circumstances special to this industry, including the effect of the cotton equalization law, improved equipment and management, union organizing pressures, and increasing difficulties of recruiting textile workers from rural areas."

The number of production and related workers in mills within scope of the survey was about 2 percent below the employment level of May 1963. On the average, however, they worked about 2

hours a week longer in September 1965, than in the earlier period.⁵

Earnings of workers varied by location, size and type of mill, type of product, and occupation. Nearly all of the 219,477 workers employed in regular textile operations⁶ of the mills covered by

¹ The survey covered mills employing 20 workers or more, primarily engaged in manufacturing cotton yarn (or thread) and broad-woven fabrics (12 inches or more in width). Mills manufacturing mixtures containing 25 percent or more wool were excluded.

Earnings information developed by the survey excludes premium pay for overtime and for work on weekends, holidays, and late shifts and, thus, is not comparable with the gross average hourly earnings published in the Bureau's monthly hours and earnings series. The monthly series provides data for cotton broadwoven fabric mills (weaving and integrated mills). These mills, as well as those primarily engaged in spinning yarn or thread are included in this survey.

A more comprehensive account of this survey will be presented in a forthcoming BLS bulletin. Separate releases providing information on earnings and supplementary benefits for selected areas and States are available upon request to the Bureau or any of its regional offices.

² For an account of the earlier survey, see *Monthly Labor Review*, June 1964, pp. 673-676.

³ Late in March 1966, four large New England textile companies and the Textile Workers Union of America negotiated 3-year contracts with wage increases totaling 23 cents; 10 cents an hour in April 1966, 6 cents in April 1967, and 7 cents in April 1968. These increases are not included in the earnings data presented in this article. Another round of wage increases for Southern textile mills, to be effective in mid-1966, was announced in May.

⁴ *The Economic Situation in 1966*, Statement Submitted to the Joint Economic Committee, U.S. Congress, *Hearings on the 1966 Economic Report of the President*, Feb. 8, 1966.

⁵ According to the Bureau's employment and earnings series, production workers in the cotton broadwoven fabrics industry averaged 42.5 hours a week in September 1965, compared with 40.6 hours in May 1963.

⁶ Earnings information in this article excludes data for an estimated 21,519 workers employed in bleaching, cloth dyeing and finishing, and fabricating departments in mills covered by the survey. These workers were included, however, in developing the proportions of production workers in mills providing selected supplementary benefits.

the survey earned between \$1.25 and \$2.50 an hour; the middle half earned between \$1.53 and \$1.94.

Almost all of the workers were in mills providing paid vacations and various types of health and insurance benefits. Nearly seven-eighths⁷ of the production workers in New England were in mills with labor-management contracts, compared with an eighth in the Southeast. In the latter region, North Carolina, South Carolina, and Virginia accounted for four-fifths of the workers in union mills, but for only two-thirds of the total employment. The major unions in the industry are the Textile Workers Union of America and the United Textile Workers of America.

Earnings

In September 1965, workers in the Southeast region⁸ averaged \$1.74 an hour, compared with \$1.82 for workers in New England and \$1.53 for those in the Southwest region. (See accompanying table.) Earnings information was also developed separately for several States and areas in the South:

	<i>Number of production workers</i>	<i>Average hourly earnings</i>
Alabama.....	21,504	\$1.75
Georgia.....	42,595	1.74
North Carolina.....	67,248	1.69
Charlotte.....	29,677	1.67
Statesville.....	9,485	1.67
South Carolina.....	60,911	1.77
Greenville-Spartanburg.....	24,530	1.77
Texas.....	4,222	1.51

Workers in integrated mills (those having both spinning and weaving operations) had higher average hourly earnings than those in yarn mills; in the Southeast region the difference amounted

⁷ The estimate of the proportion of workers in union mills in New England (95 percent) for the Bureau's May 1963 survey was overstated; the revised estimate for the earlier survey is 88 percent.

⁸ For definition of regions used in this study, see table, footnote 2.

⁹ A comparison of occupational pay relationships between yarn and integrated mills in the Southeast indicated that workers in selected jobs in integrated mills averaged 11 cents an hour more, as a group, than their counterparts in yarn mills. This was determined by multiplying the average earnings for occupations found in both types of mills by the respective occupational employments in integrated mills, and dividing the sums of these products by the total employment factors. The wage advantage held by workers in integrated mills amounted to 12 cents for men and 10 cents for women.

to 15 cents. Although the absence of skilled weaving occupations in yarn mills contributes to the difference in overall earnings levels in the two types of mills, yarn mill workers also had consistently lower pay in comparisons at the occupational level.⁹ Workers in integrated mills in New England averaged \$1.83 an hour—6 cents more than their counterparts in the Southeast region; the difference was 8 cents when comparison was limited to integrated mills primarily producing carded-yarn fabrics. Among fabric mills, averages varied by predominant class of fabric.

There was little difference in overall production worker averages in metropolitan and nonmetropolitan areas. According to mill employment size, however, averages ranged, progressively, from \$1.61 an hour in mills employing fewer than 250 workers to \$1.80 in those with 1,000 or more. This relationship held in the Southeast, but not in New England.

About three-fifths of the workers in regular textile departments were men; they averaged \$1.78 an hour, compared with \$1.67 for women. Differences in average pay levels for men and women may be the result of several factors, including variation in the distribution of the sexes among establishments and among jobs with disparate pay levels.

Earnings of almost all workers were within a range of \$1.25 to \$2.50 an hour, with the middle half of the workers' earnings between \$1.53 and \$1.94. At the lower end of the array, 8 percent of the workers earned less than \$1.40 and 21 percent earned less than \$1.50. As indicated below, the concentrations of workers at lower earnings levels were proportionately greater in the Southwest than in the other regions:

<i>Region</i>	<i>Percent of production workers earning less than—</i>		
	<i>\$1.30</i>	<i>\$1.40</i>	<i>\$1.50</i>
New England.....	0.7	1.8	2.9
Southeast.....	2.0	7.5	20.5
Southwest.....	13.6	39.3	57.9

Earnings of women, most of whom were employed in occupations requiring similar skills, were more concentrated than those of men. Nationally, the middle 50 percent of earnings for women ranged from \$1.53 to \$1.80; the corresponding range for men was from \$1.53 to \$2.03.

Information on earnings was obtained separately for a number of jobs selected to represent the different types of skills and manufacturing operations in the industry. (Some of these jobs are included in the accompanying table.) Occu-

pational averages were nearly always highest in New England and lowest in the Southwest. Earnings of workers performing similar tasks also varied within the same establishment, particularly for occupations typically paid under incen-

NUMBER AND AVERAGE STRAIGHT-TIME HOURLY EARNINGS¹ OF PRODUCTION WORKERS IN COTTON TEXTILE MILLS BY SELECTED CHARACTERISTICS AND SELECTED REGIONS,² SEPTEMBER 1965

Characteristics	United States ³		New England		Southeast		Southwest	
	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹
ALL MILLS								
All production workers.....	219,477	\$1.74	6,879	\$1.82	206,046	\$1.74	4,824	\$1.53
Men.....	136,641	1.78	4,209	1.87	128,342	1.78	3,029	1.55
Women.....	82,836	1.67	2,670	1.73	77,704	1.67	1,795	1.48
SIZE OF COMMUNITY								
Metropolitan areas ⁴	50,888	1.77	3,369	1.82	44,788	1.76	1,126	1.50
Nonmetropolitan areas.....	168,589	1.73	3,510	1.82	161,258	1.73	3,698	1.53
SIZE OF ESTABLISHMENT								
20-249 workers.....	30,099	1.61	-----	-----	27,499	1.59	-----	-----
250-499 workers.....	58,678	1.71	-----	-----	55,365	1.72	2,581	1.50
500-999 workers.....	56,102	1.76	2,259	1.83	52,415	1.76	-----	-----
1,000 workers or more.....	74,598	1.80	3,777	1.81	70,767	1.79	-----	-----
TYPE OF MILL AND PRODUCT⁵								
Yarn mills.....	44,463	1.62	-----	-----	42,313	1.62	-----	-----
Carded yarn.....	17,568	1.63	-----	-----	17,342	1.63	-----	-----
Combed yarn.....	26,895	1.62	-----	-----	24,971	1.61	-----	-----
Integrated mills.....	171,471	1.77	5,047	1.83	161,603	1.77	4,619	1.53
Carded-yarn fabrics.....	140,951	1.75	3,801	1.84	132,329	1.76	4,619	1.53
Combed-yarn fabrics.....	30,520	1.83	-----	-----	29,274	1.83	-----	-----
FIBER CONTENT OF PREDOMINANT PRODUCT								
Cotton fibers only.....	203,295	1.73	5,766	1.81	191,953	1.74	4,682	1.53
Blends of cotton and synthetic fibers.....	16,182	1.79	1,113	1.85	14,093	1.78	-----	-----
PREDOMINANT CLASS OF FABRICS⁶								
Duck and allied fabrics.....	7,844	1.70	-----	-----	6,476	1.75	-----	-----
Narrow sheeting and allied coarse and medium yarn fabrics.....	14,265	1.64	-----	-----	13,703	1.65	-----	-----
Wide sheeting and allied coarse and medium yarn fabrics.....	55,311	1.76	-----	-----	51,501	1.77	-----	-----
Printcloth-yarn fabrics.....	25,404	1.78	-----	-----	24,680	1.78	-----	-----
Colored-yarn fabrics.....	11,101	1.77	-----	-----	10,101	1.80	-----	-----
Towels, toweling, and dishcloths.....	13,832	1.82	-----	-----	13,741	1.82	-----	-----
Napped fabrics, blankets, and blanketing.....	6,567	1.74	-----	-----	6,567	1.74	-----	-----
Fine cotton fabrics (combed, part combed, and fine carded).....	28,647	1.83	-----	-----	27,134	1.83	-----	-----
Specialties and other woven cotton fabrics.....	12,043	1.76	-----	-----	9,830	1.73	-----	-----
SELECTED OCCUPATIONS								
Battery hands (463 men and 9,261 women).....	9,724	1.56	285	1.59	9,150	1.56	261	1.41
Card grinders (all men).....	1,746	2.03	44	1.99	1,672	2.03	29	1.77
Card tenders (4,246 men and 86 women).....	4,332	1.62	87	1.73	4,143	1.62	96	1.48
Doffers, spinning-frame (10,588 men and 124 women).....	10,712	1.85	181	1.89	10,299	1.85	229	1.69
Electricians, maintenance (all men).....	687	2.21	18	2.16	655	2.21	10	2.07
Inspectors, cloth, machine (831 men and 4,570 women).....	5,401	1.63	240	1.61	5,027	1.64	82	1.39
Janitors, except machinery cleaners (4,408 men and 830 women).....	5,238	1.45	120	1.53	4,993	1.45	101	1.34
Loom fixers (all men).....	10,331	2.27	286	2.29	9,672	2.27	243	2.03
Machinists, maintenance (all men).....	1,160	2.18	23	2.20	1,106	2.19	24	1.88
Slubber tenders (4,548 men and 554 women).....	5,102	1.87	97	2.20	4,885	1.86	113	1.64
Spinners, ring-frame (186 men and 18,776 women).....	18,962	1.70	417	1.75	18,202	1.70	338	1.50
Truckers, hand, including bobbin boys (6,523 men and 217 women).....	6,740	1.49	89	1.56	6,481	1.50	146	1.32
Weavers (9,242 men and 9,833 women).....	19,075	2.00	523	2.09	17,775	2.00	354	1.74
Box looms (1,089 men and 764 women).....	1,853	2.00	-----	-----	1,781	2.01	-----	-----
Dobby looms (1,987 men and 1,559 women).....	3,546	2.04	-----	-----	3,435	2.04	-----	-----
Jacquard looms (837 men and 284 women).....	1,121	2.16	-----	-----	786	2.09	-----	-----
Plain looms (5,329 men and 7,226 women).....	12,555	1.97	385	2.02	11,773	1.98	354	1.74
Winders, yarn (200 men and 16,202 women).....	16,402	1.63	355	1.77	15,617	1.63	272	1.47

¹ Excludes premium pay for overtime and for work on weekends, holidays, and late shifts. Also excluded are data for an estimated 21,519 workers (with an average of \$1.73 an hour) employed in bleaching, cloth dyeing and finishing, and fabricating departments.

² The regions used in this study are: *New England*—Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; *Southeast*—Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia; and *Southwest*—Arkansas, Louisiana, Oklahoma, and Texas.

³ Includes data for regions in addition to those shown separately. Alaska and Hawaii were not included in the study.

⁴ The term "metropolitan areas" as used in this study refers to Standard Metropolitan Statistical Areas as defined by the U.S. Bureau of the Budget through March 1965.

⁵ Data are not shown separately for weaving mills, but are included in the data for all production workers. Mills engaged in weaving fabrics from purchased yarn employed an estimated 3,543 workers at the time of the study and were mostly concentrated in the Southeast region.

⁶ Includes data for weaving and integrated mills only.

NOTE: Dashes indicate no data reported or data that do not meet publication criteria.

tive wage systems.¹⁰ In many instances, the difference in earnings between the highest and lowest paid workers in the same job and establishment amounted to more than 50 cents an hour.

Establishment Practices

Work schedules of 48 hours a week were in effect in mills employing three-fifths of the industry's production workers at the time of the study. These schedules applied to nearly two-thirds of the workers in the Southeast. Forty-hour weekly work schedules were reported by mills accounting for nine-tenths of the workers in New England and nearly three-fifths of those in the Southwest.

Nearly all cotton textile mills had provisions for three-shift operations for most production departments, and slightly more than half of the production workers were employed on late shifts in September 1965. Nearly three-tenths of the workers in each of the three regions were on second shifts and rarely received differential pay. Third-shift operations accounted for a fourth of the workers in the Southeast and a fifth in the other two regions. These third-shift workers usually received 7 cents an hour above day rates in New England, and 5 cents in the Southeast and Southwest.

Paid holidays were provided by mills employing nearly half of the production workers. Nearly all workers in New England received 6 days annually. In the Southeast and Southwest, slightly more than two-fifths of the workers were provided paid holidays, most commonly 2 days a year.

Paid vacations, after qualifying periods of service, were provided by mills accounting for nearly all production workers. Typical vacation pay provisions, which were usually based on percentages of annual earnings, were 1 week after 1 year of service and 2 weeks after 5 years. In New

England, however, nearly all production workers received over 1 but less than 2 weeks of pay after 3 years of service. Provisions for 3 weeks of paid vacation were seldom reported for production workers.

Life, hospitalization, and surgical insurance, financed at least in part by employers, were reported by mills employing over nine-tenths of the production workers. Accidental death and dismemberment insurance was provided to nearly three-fifths of the workers, and sickness and accident and medical insurance to about half. About a fifth of the production workers were in mills providing catastrophe insurance. Paid sick leave provisions (full pay and no waiting period) were seldom reported for production workers. The proportions of workers receiving the benefits described above (with the exception of life, hospitalization, and surgical insurance) varied considerably by region. Medical insurance, for example, applied to about two-fifths of the workers in the Southeast, compared with nearly all workers in New England. In most instances, health and insurance benefit plans in New England and the Southwest were financed exclusively by employers; in the Southeast such plans were usually jointly financed.

Pension plans providing regular payments for the remainder of the retiree's life (in addition to Federal social security) applied to a majority of the workers in the Southeast and to about two-fifths of those in the Southwest, but to only a few in New England. In the two Southern regions, many of the retirement plans for production workers were financed through annuity-type profit-sharing plans. Plans providing lump-sum payments at retirement applied to nearly all workers in New England, but were virtually nonexistent in the Southern regions.

Profit-sharing plans, nearly all deferred distribution plans, were provided by mills employing about one-fifth of the workers in the Southeast and approximately two-fifths in the Southwest. Such plans were rarely reported by New England mills.

—GEORGE L. STELLUTO
Division of Occupational Pay

¹⁰ Two-thirds of the industry's production workers were paid time rates, usually under formal systems providing a single rate for a given occupation. Incentive methods of wage payment, nearly always individual piece rates, applied to slightly more than two-fifths of the workers in New England, a third in the Southeast, and a fourth in the Southwest. Numerically important occupations usually paid under incentive wage systems included spinning-frame doffers, weavers, and yarn winders.

Earnings in Women's and Misses' Coat and Suit Industry

AVERAGE STRAIGHT-TIME hourly earnings of production and related workers in shops manufacturing women's and misses' coats and suits varied substantially among the nine areas surveyed by the Bureau of Labor Statistics in August 1965. Together, these nine areas accounted for slightly more than one-half of the industry's work force.¹ Averages ranged from \$2 in Kansas City and \$2.02 in Baltimore to \$2.92 an hour in New York.

In each area, individual earnings were widely dispersed, with some workers earning as low as \$1.25 and some as high as \$5 an hour. These dispersions in earnings resulted largely from the extensive use of incentive wage systems and from differences in types of work. Sewing machine operators, for example, made up a large segment of the industry's work force. Those performing all or most of the sewing operations required to make a complete garment (single-hand or tailor system) typically had higher earnings than those whose sewing was limited to a specific part or parts of a garment (section system).

Establishments having agreements with the International Ladies' Garment Workers' Union (ILGWU) accounted for 85 percent of the workers in Newark and Jersey City and in San Francisco-Oakland, and for 90 percent or more of the workers in all other areas. These agreements included provisions for paid holidays, paid vacations, various types of health and welfare benefits, and retirement pension plans.

Earnings

Variations in area wage averages for production workers were in part due to differences in manufacturing methods and processes. New York, Los Angeles-Long Beach, and Chicago (the three areas with highest paying levels) were the only areas, except San Francisco-Oakland, in which extensive use was made of the single-hand (tailor) system of sewing. In each of the three areas, single-hand sewing machine operators earned substantially more than those working under the section system. The single-hand system requires more highly

trained sewing machine operators than are generally needed under the section system. In Kansas City and Baltimore, where three-fourths or more of the sewing machine operators were on the section system, production workers averaged \$2 and \$2.02, respectively. (See accompanying table.)

Averages in Newark and Jersey City (\$2.49) and Paterson-Clifton-Passaic (\$2.25), where all sewing machine operators were on the section system, were also influenced to some extent by the dominance of contract shops which manufacture garments from materials owned and frequently cut by others. As a result, the proportion of cutters and markers—who usually receive relatively high wages—was smaller in these areas than in the others.

In each area men, as a group, averaged more than women; the average wage advantages for men ranged from 22 percent in Kansas City to 61 percent in Los Angeles-Long Beach. Differences in average pay levels for men and women may be the result of several factors, including variations in the distributions of the sexes among establishments and among jobs with disparate pay levels. Men were more heavily concentrated in jobs requiring the greatest experience and skill, such as cutting and marking, pressing, and the single-hand system of sewing.

Earnings as low as \$1.25 and as high as \$5 an hour were recorded for some workers in all areas. There were no significant concentrations in the earnings arrays in any of the areas, except Kansas City, where nearly a fourth of the workers earnings were between \$1.60 and \$1.70 an hour. This dispersion of individual earnings reflects the wide-

¹The study included establishments employing 4 workers or more, primarily engaged in manufacturing women's and misses' coats and suits, except fur coats and raincoats (part of industry 2337 as defined in the 1957 edition of the *Standard Industrial Classification Manual* and its 1963 Supplement, U.S. Bureau of the Budget). Contract shops making skirts for suit manufacturers or suit jobbers were included, but other skirt manufacturers were excluded.

Earnings information presented in this article excludes premium pay for overtime and for work on weekends, holidays, and late shifts.

The term "production workers," as used in this study, includes working foremen and all nonsupervisory workers engaged in non-office functions. Administrative, executive, and professional workers were excluded.

A more comprehensive account of the study will be presented in a forthcoming BLS bulletin. Individual area releases are available from the Bureau or any of its regional offices.

spread use of piece rate pay systems,² and the differing earnings among jobs with varying degrees of skill.

Singlehand-system sewing machine operators typically had higher earnings than section-system operators; in the four areas for which data are shown for both types of operators, singlehand-system operators held an average wage advantage of more than 50 cents an hour. Of the jobs studied separately, machine pressers were usually highest paid and thread trimmers lowest paid. Earnings of individuals performing similar tasks also varied within the same establishment, particularly for jobs typically paid under incentive wage systems.

Establishment Practices

Work schedules of 35 hours a week were in effect in shops employing nine-tenths or more of the workers in six areas, nearly seven-eighths in San Francisco-Oakland, and three-fourths in Kansas City and in Newark and Jersey City. A fifth of the workers in Newark and Jersey City had weekly

² Incentive pay, almost always individual piecework, applied to slightly more than two-fifths of the workers within the scope of the survey. The proportions of incentive-paid workers differed among the areas, ranging from a fourth in Paterson-Clifton-Passaic to seven-tenths in Philadelphia. Workers employed as pressers and sewing machine operators were commonly paid under incentive systems in most areas. A majority of the time-rated workers in most areas were paid under formal systems providing a single rate for a given occupation.

NUMBER AND AVERAGE STRAIGHT-TIME HOURLY EARNINGS¹ OF PRODUCTION WORKERS IN THE WOMEN'S AND MISSES' COAT AND SUIT MANUFACTURING INDUSTRY IN 9 SELECTED AREAS,² AUGUST 1965

	Baltimore		Chicago		Kansas City		Los Angeles-Long Beach		Newark and Jersey City			
	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹		
All production workers.....	489	\$2.02	1,184	\$2.64	2,062	\$2.00	2,142	\$2.87	6,756	\$2.49		
Women.....	358	1.91	858	2.28	1,783	1.94	1,465	2.41	5,202	2.31		
Men.....	131	2.34	326	3.59	279	2.36	677	3.88	1,554	3.08		
SELECTED OCCUPATIONS ⁴												
Cutters and markers.....	26	2.58	73	3.40	83	2.73	147	4.20	43	3.94		
Inspectors, final (examiners).....			11	1.82	30	1.80	36	2.03	23	2.72		
Packers, shipping.....			11	1.83	36	1.59	53	1.77				
Pressers, hand.....	18	2.30	51	3.48	85	2.12	65	3.32	321	3.06		
Pressers, machine.....	20	2.63	55	5.17	88	3.11	105	4.81	365	4.08		
Pressers, hand and machine.....	8	2.70					29	4.31	116	2.71		
Sewers, hand (finishers).....	68	1.92	211	2.23	221	1.86	416	2.38	1,004	2.36		
Sewing machine operators, section system.....	104	1.91	240	2.74	755	2.14	354	2.69	3,145	2.59		
Sewing machine operators, single-hand (tailor) system.....	36	3.00	143	3.28			410	3.46				
Thread trimmers (cleaners).....	6	1.85	27	1.44	25	1.75	30	1.43	169	1.53		
New York												
	All shops		Regular shops ³		Contract shops		Paterson-Clifton-Passaic		Philadelphia		San Francisco-Oakland	
	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹	Workers	Earnings ¹
All production workers.....	28,334	\$2.92	9,893	\$3.19	18,441	\$2.78	3,624	\$2.25	1,843	\$2.52	696	\$2.44
Women.....	15,668	2.57	3,193	2.82	12,475	2.50	2,932	2.07	1,343	2.21	561	2.23
Men.....	12,666	3.37	6,700	3.36	5,966	3.37	692	2.98	500	3.35	135	3.30
SELECTED OCCUPATIONS ⁴												
Cutters and markers.....	1,560	3.90	1,307	3.91	199	3.82	67	4.04	72	3.41	49	3.56
Inspectors, final (examiners).....	490	3.02	281	3.13	209	2.87	20	2.71	27	1.99		
Packers, shipping.....	921	1.87	921	1.87					10	1.75	17	1.94
Pressers, hand.....	1,382	3.88	296	4.19	1,086	3.79	175	2.62	88	4.23	40	2.91
Pressers, machine.....	1,126	4.23	227	5.19	899	3.99	205	3.47	98	4.38	39	3.52
Pressers, hand and machine.....	540	4.20	151	5.12	389	3.84	26	4.00				
Sewers, hand (finishers).....	5,812	2.73	2,146	3.00	3,666	2.58	443	1.98	245	2.35	97	1.96
Sewing machine operators, section system.....	6,362	2.70	448	3.07	5,914	2.67	1,594	2.29	716	2.43		
Sewing machine operators, single-hand (tailor) system.....	3,797	3.45	1,429	3.78	2,368	3.25					129	2.22
Thread trimmers (cleaners).....	465	1.60	43	1.66	422	1.59	116	1.54	33	1.40	21	1.81

¹ Excludes premium pay for overtime and for work on weekends, holidays, and late shifts.

² Standard Metropolitan Statistical Areas, as defined by the U.S. Bureau of the Budget through March 1965.

³ Include jobbing shops performing some manufacturing operations such as cutting, finishing, or packing and shipping, in addition to regular (inside) shops.

⁴ Data relate to all workers in the selected occupations. Women accounted for a large majority of the thread trimmers, hand sewers, and section system

operators in all areas, whereas most single-hand system operators in New York and Chicago were men. Men also accounted for a majority of the shipping packers, cutters and markers, and pressers in most areas. The forthcoming bulletin will present separate wage data for men and women in the selected occupations wherever publication criteria are met.

NOTE: Dashes indicate no data reported or data that do not meet publication criteria.

work schedules of 40 hours, and nearly a fourth in Kansas City were scheduled to work 44 hours a week.

Provisions for paid holidays, health and welfare benefits, vacation pay, severance benefits, and retirement pension plans, summarized below, were stipulated in collective bargaining agreements with the ILGWU.³

Paid holiday provisions varied from 4 days a year in Chicago⁴ to 7½ days in Paterson-Clifton-Passaic. In most areas, time workers were paid their regular rates and incentive workers were given flat amounts varying by craft.

Health and welfare benefits in all areas, and vacation payments in all areas except Chicago and Kansas City, were provided from a health and welfare fund to which employers contributed specified percentages of their payrolls for workers covered by the union agreement. The provisions included hospitalization, disability, maternity, eyeglass, and death benefits in nearly all areas, and surgical and medical benefits in several areas. In all areas except Baltimore, Paterson, and San Francisco, union health centers were maintained through employer contributions.

In New York, Newark and Jersey City, and Paterson-Clifton-Passaic vacation payments varied

by occupation, ranging from \$50 to \$70. In Chicago and Kansas City, vacation benefits (paid directly by employers to workers) amounted to 1 week of pay after 1 year of service and 2 weeks after 5 years; both areas had provisions for prorating vacation pay for workers with less than 1 year of service. In the other four areas, vacation payments were determined as a percentage of the worker's annual earnings, usually with minimum and maximum payments specified.

Severance benefits were provided from a national fund to which the employer contributed one-half percent (1 percent in Baltimore) of his weekly payroll for workers covered by the union contract. This fund provides both a lump-sum severance allowance and weekly supplemental unemployment benefits to qualified workers.

Retirement pension benefits (other than Federal social security) were provided through employer contributions to a retirement fund. The amounts contributed varied among the areas from 2½ to 6½ percent of payroll for workers covered by the union agreements. Benefits were paid from the fund to qualified workers over age 65 at the rate of \$65 a month in New York, Newark and Jersey City, and Paterson-Clifton-Passaic, and \$50 a month in the other areas. In nearly all areas, totally disabled workers might retire with full benefits at age 60. Reduced benefits for early retirement were available to workers in all areas. The fund also provided a \$500 death benefit.

—GEORGE L. STELLUTO
Division of Occupational Pay

³ Provisions differed slightly in a few shops. Among the shops which did not have a contract with ILGWU, formal provisions for paid holidays and vacations were common, but insurance and pension plans were reported in only a few instances.

⁴ Workers in Chicago were guaranteed one-half day's pay for each holiday, those working 3 days in the holiday week received three-fourths pay, and those working 4 days received full pay.

The New York Factory Investigating Commission, in 1915, in submitting its conclusions regarding the clothing costs of working women, states that "the matter may be summed up by saying that a girl may respectably clothe herself on between \$85 and \$90, and that she can maintain a fairly good appearance with about \$100." The New York commission's standard of \$88 per year may thus be taken as providing only the barest minimum for "decent" clothing. Thus, it is of striking significance to note that, even with this low minimum as a standard, 42 percent of the 600 wage-earning women included in the Washington investigation had a yearly expenditure of less than that amount, and in many cases the expenditure was very much less.

—"Cost of Living in the District of Columbia," *Monthly Labor Review*, February 1918.

U.S.S.R. Worktime Requirements for Consumer Purchases

AVERAGE MONTHLY EARNINGS of all wage and salary earners in 1965 in the U.S.S.R.¹ were reported as 95 rubles² (US\$105.56).³ Average monthly wages have increased steadily in the postwar period (by 19 percent in the last 5 years alone),⁴ and State-fixed retail prices of essential consumer goods have been, with a few exceptions, relatively stable since 1955. Clothing, meat, and milk products are still in short supply; and much of the clothing is of low quality. Table 1 shows that the approximate worktime required to buy fixed quantities of selected foods at State-fixed prices in Moscow declined, as a percent of 1928 worktime required, from 145 percent in 1953 to 89 in January 1966. A large part of this percentage decline is due to the cut in the number of working hours per day, for most workers, from 8 hours to 7 hours. But the increase in average earnings has been a more important factor. The increase in average earnings has been due primarily to (1) the sweep-

ing reorganization of the wage structures in Soviet industry during the years 1956-61, when the wage rates of the workers in the lower wage categories were raised; (2) the increase during 1964 and 1965 of the wage rates of some 20 million persons in the service sectors of the national economy; and (3) the raising of the minimum monthly wage to 40 rubles (\$44.44) in rural areas and 45 rubles (\$50) in urban areas, which was completed by January 1, 1966.⁵ The previous minimums, fixed by the decree of September 1965, were 27 rubles (\$30) and 30 rubles (\$33.33), respectively.

¹ EDITOR'S NOTE.—This excerpt is taken from "Recent Trends in Labor Controls in the Soviet Union," prepared at the request of the Joint Economic Committee. An earlier version of the article appears in *Dimensions of Soviet Economic Power*, Hearings Together With Compilation of Studies Prepared for the Joint Economic Committee, Congress of the United States (87th Cong., 2d sess., 1962), pp. 391-407; 691-693.

² Pravda, February 3, 1966, p. 2.

³ At the tourist rate of 0.90 ruble equals US\$1, fixed by the Soviet Government.

⁴ Pravda, March 30, 1966, pp. 6-7 (report of L. Brezhnev). For table of average monthly wages for selected years in the period 1940-64, see *Narodnoe Khoziaistvo SSSR v. 1964 g.* (The National Economy of the U.S.S.R. in 1964), Moscow, 1965, p. 555.

⁵ For discussion of recent Soviet wage developments, see *Labor Developments Abroad* (U.S. Bureau of Labor Statistics), April 1966.

TABLE 1. APPROXIMATE WORKTIME REQUIRED TO BUY SELECTED FOODS AT STATE-FIXED PRICES IN MOSCOW, APRIL 1, 1923, APRIL 1, 1953, JUNE 15, 1962, AND JANUARY 15, 1966

Food	Prices (in rubles)				Quantity consumed by a family of four ⁵	Approximate worktime for weekly consumption ⁵						
	1928 ¹	1953 ²	1962 ³	1966 ⁴		In hours				1953 ² as percent of 1928	1962 ³ as percent of 1928	1966 as percent of 1928
						1928 ²	1953 ²	1962	1966			
Rye bread, 1 kilogram (2.2 pounds).....	0.080	1.35	0.13	0.14	9.84 kilograms...	2.71	4.52	2.84	2.30	167	105	85
Potatoes, 1 kilogram.....	.085	.75	.10	.10	12.16 kilograms...	3.56	3.10	2.70	2.03	87	76	57
Beef, 1 kilogram.....	.870	12.60	1.60	1.60	3.68 kilograms...	11.04	15.77	13.08	9.81	143	118	89
Butter, 1 kilogram.....	2.430	26.75	3.60	3.60	.44 kilograms.....	3.69	4.00	3.52	2.64	108	95	73
Sugar, 1 kilogram.....	.620	9.09	.89	1.04	1.80 kilograms.....	3.85	5.57	3.56	3.12	145	92	81
Milk, 1 liter (1.06 quarts).....	.063	2.20	.29	.30	4.96 liters.....	1.08	3.71	3.20	2.48	344	296	230
Eggs, per 10.....	.200	6.88	.80	.80	6.40 eggs.....	.44	1.50	1.14	.96	341	259	218
All seven foods.....						26.37	38.17	30.04	23.34	145	114	89

¹ Official Soviet prices from the People's Commissariat of Labor, as transmitted to the International Labor Office. See *International Labor Review*, October-November 1928, pp. 657-660. These prices were lower than those in private trade which played a large role in workers' consumption, and their use may somewhat inflate the workers' real purchasing power at that time. On the other hand, it appears that Moscow food prices were noticeably higher than the national average in 1928; but Moscow goods were superior in quality. See Naum Jasny, *The Soviet Economy During the Plan Era* (Stanford, Calif., Stanford University Press, 1951), p. 105.

² Data from "Purchasing Power of Soviet Workers in the U.S.S.R.," *Monthly Labor Review*, April 1960, pp. 359-364.

³ Prices in Moscow state stores during June 1962, based on information appearing in the Soviet press and in published reports of U.S. and European visitors to the U.S.S.R.

⁴ Based on published reports of U.S. and European visitors to the U.S.S.R. and on information appearing in the Soviet press; where several prices were reported, the one nearest the 1962 price was used.

⁵ Weekly consumption figures per person in 1928 from *International Labor Review*, *ibid.*, p. 659; the average worker's family in 1928 consisted of 4 persons. See Solomon Schwarz, *Labor in the Soviet Union* (New York, Praeger, 1952), p. 145. The same percent relationship between 1928 and 1966 would be obtained if the quantities for 1 person were used instead of the quantities for a family of 4.

⁶ Worktime is computed by multiplying quantity consumed by price and dividing the product by average hourly earnings. In 1928, official national average earnings were 703 rubles per year (figure given in *Trud v SSSR*

[Labor in U.S.S.R.], Moscow, 1936, p. 17), or 0.29 rubles per hour; in 1953, the estimated average earnings were about 600 rubles a month, or 2.94 rubles per hour according to an analysis of scattered data appearing in the Soviet press. In June 1962, estimated average earnings of manufacturing workers, in terms of the recent revaluated ruble were about 80 rubles a month, or 0.45 ruble an hour; and in January 1966, the estimated average earnings were 105 rubles a month, or about 0.60 rubles per hour.

⁷ Milk was usually available only in half-liter bottles, at 0.30 rubles per bottle.

⁸ Usually eggs were not available at this lowest observed price. They were more often available at 1.34 rubles per 10.

NOTE: In the interest of a balanced view of the main trends in living standards in the U.S.S.R. since 1928, it is important to take cognizance of the fact that as a result of the increase in industrial production under the economic plans, manufactured consumer goods have become more available, although they are still inadequate to meet existing consumer needs and are below prevailing standards in other industrialized countries. In addition, it needs to be noted that the consumer in the U.S.S.R. is provided by the state with a number of free services, such as medical service, education, and pensions. Furthermore, Soviet workers pay low housing rentals, usually amounting to 4 to 6 percent of their monthly earnings. However, most workers live in cramped quarters; for example, in Moscow most families live in only 1 room and have to share bathrooms and kitchens with other families.

TABLE 2. APPROXIMATE WORKTIME REQUIRED TO BUY SELECTED COMMODITIES AT STATE-FIXED PRICES¹ IN MOSCOW AND AT RETAIL STORE PRICES IN NEW YORK CITY, JANUARY 15, 1966

Commodity	Moscow price (in rubles) ²	New York City prices (in dollars) ³	Approximate worktime ⁴			Moscow work- time as a percent of New York City worktime
			Unit	Moscow	New York City	
Foods:						
White bread:						
1 pound.....	0.23	0.248	Pound.....	23 minutes.....	6 minutes.....	} 400
500 grams (1.1 pounds).....	.28	.546	500 grams.....	28 minutes.....	6.6 minutes.....	
Potatoes:						
1 pound.....	.045	.066	Pound.....	4.5 minutes.....	1.5 minutes.....	} 300
1 kilogram.....	.10	.146	Kilogram.....	10 minutes.....	3.3 minutes.....	
Beef, rib roast:						
1 pound.....	.75	.884	Pound.....	73 minutes.....	20 minutes.....	} 350
1 kilogram.....	1.60	1.945	Kilogram.....	160 minutes.....	44 minutes.....	
Butter, salted:						
1 pound.....	1.63	5.775	Pound.....	163 minutes.....	17 minutes.....	} 1,000
1 kilogram.....	3.60	1.705	Kilogram.....	360 minutes.....	37 minutes.....	
Sugar:						
1 pound.....	.47	.121	Pound.....	47 minutes.....	2.7 minutes.....	} 1,500
1 kilogram.....	1.04	.266	Kilogram.....	104 minutes.....	6 minutes.....	
Milk, at grocery:						
1 quart.....	.28	.264	Quart.....	28 minutes.....	5.9 minutes.....	} 500
1 liter (1.06 quarts).....	.30	.280	Liter.....	30 minutes.....	6.2 minutes.....	
Eggs, 2d grade:						
Per dozen.....	6.96	7.630	Dozen.....	108 minutes.....	14 minutes.....	} 800
Per 10.....	.90	.525	Per 10.....	90 minutes.....	11.7 minutes.....	
Tea, 50 grams (1¾ ounces).....	.38	.145	Ounce.....	22 minutes.....	1.8 minutes.....	} 1,200
			50 grams.....	38 minutes.....	3.2 minutes.....	
Men's clothing:						
Shirt, cotton ⁵	8.00	4.70	Each.....	13 hours.....	1.7 hours.....	750
Suit, wool, single-breasted, middle of price range.....	110.00	63.66	do.....	183 hours.....	23.6 hours.....	800
Shoes, leather oxfords, pair.....	24.50	17.93	Pair.....	41 hours.....	6.6 hours.....	600
Women's clothing:						
Dress, street, rayon.....	29.40	13.88	Each.....	49 hours.....	5 hours.....	1,000
Shoes, leather oxfords, middle of price range.....	23.00	15.06	Pair.....	38 hours.....	5.5 hours.....	700
Stockings, nylon.....	3.20	1.39	do.....	5 hours.....	31 minutes.....	1,000
Other commodities:						
Soap, toilet, 100-gram cake (3½ ounces).....	.21	.12	Each.....	21 minutes.....	2.7 minutes.....	800
Cigarettes, package of 20.....	9.20	.363	Package.....	20 minutes.....	8 minutes.....	250
Vodka:						
Fifth.....	4.64	10 5.12	Fifth.....	8 hours.....	2 hours.....	} 400
½ liter (.662 fifth).....	3.07	3.39	½ liter.....	5 hours.....	1 hour, 15 minutes.....	

¹ Prices observed on the open market, where collective farmers sell their produce, were much higher in comparison with state store prices.

² Moscow prices in state stores, based on information appearing in the Soviet press and in published reports of U.S. and European visitors to the U.S.S.R.; where several prices were reported, the one nearest the 1962 price was used (or the 1962 price, for nonfoods only, when no current price was available). Especially valuable for comparison were the prices listed in P. Hanson, "Soviet Living Standards," *Bulletin of the Oxford University Institute of Economics and Statistics*, August 1965, pp. 201-207.

³ New York City prices in retail stores were collected by the Bureau of Labor Statistics; the prices for kilogram, liter, and 10 eggs were calculated from New York City prices for pound, quart, and dozen, respectively.

⁴ Worktime figures for Moscow were computed on the basis of estimated average gross earnings of 0.60 ruble per hour of Moscow workers in manufacturing, a figure that is consistent with the BLS estimates of about 105 rubles a month. New York City worktime figures were computed from BLS retail prices and earnings in mid-January 1966 of \$2.70 per hour of production workers in manufacturing in New York City.

⁵ First quality (92-93 score).

⁶ Eggs were usually not available at this lowest observed price.

⁷ Large eggs, grade A.

⁸ Low-priced shirt.

⁹ Brand name: Belomorkanal.

¹⁰ Spirit blended whisky.

The new 5-year economic plan (1966-70) provides for raising the monthly minimum wage to 60 rubles (about \$67). The number of industrial workers paid on the piece-rate basis has declined in recent years, from 63 percent in March 1961 to 57.6 percent in August 1965.⁶

The purchasing power of workers has been gradually increased also by such measures as (1) the cancellation by the end of 1957 of compulsory bond purchases, which amounted to several weeks of pay annually (however, the redemption date of all outstanding bonds was extended for 20 years); (2) the abolition on October 1, 1961, of the income tax for those earning under 60 rubles (\$66.67) a

month (a year earlier the income tax had been abolished for all those earning under 50 rubles (\$55.56) a month); and (3) the State pensions law of July 14, 1956, which reportedly increased the average of all pensions by about 50 percent (the minimum old-age pension was set at 22.5 rubles (\$25) and the maximum at 120 rubles (\$133.33) a month.

Figures in table 2 show that the average worker in Moscow must work 3 to 15 times as long as the average worker in New York City to buy certain basic consumer foods, and 6 to 10 times as long for clothing.

—EDMUND NASH

Division of Foreign Labor Conditions

⁶ *Vestnik Statistiki*, No. 3, 1966, p. 95.

Foreign Labor Briefs*

International—*Manpower Drain*

The exodus of professionals, scientists, and other highly educated persons has long been headlined in Europe and is also emerging as a problem in Latin America. Now another type of international labor migration—the flow of blue-collar workers to labor-short Western European countries—is attracting attention. Hitherto, this latter flow has been regarded as beneficial to both the host countries which receive needed workers, and to the countries of origin (Greece, Italy, North African countries, Spain, Turkey, and others) whose surplus emigrant workers receive jobs and new skills and provide an important source of foreign currency.

That domestic problems in the host country can develop is now acknowledged. For example, in Switzerland the high percentage of foreign population (over 25 percent of the total) has caused concern and led to Government regulations to restrict immigration. A complementary concern has been created in the countries of origin; in Greece, a Government official expressed alarm that the outflow of workers—200,000 per year—was double the officially estimated growth rate of the population; in Portugal, where 40,000 reportedly left the country illegally in 1965, seeking higher pay abroad, a Lisbon court imposed a stiff sentence on a “smuggler” of emigrants to Canada, under the terms of a new law aimed at halting the illegal outflow.

ILO Training Center. The International Center for Advanced Technical and Vocational Training of the International Labor Organization (ILO) officially opened in Turin, Italy, in March 1966. Established primarily for the benefit of developing countries, the Center is to provide advanced training to qualified persons who live in countries or regions which cannot provide training for skilled workers, foremen and supervisors, instructors, technicians, and senior managers. The

Center's courses initially cover basic industries and occupations, e.g., mechanics and maintenance, sheet metal work, welding, and the electrical and electronics trades; in the future, they will also include construction, manufacturing, and agriculture.

Financial contributions promised or announced for the first 4 years of operation exceed US\$5 million; donors include 34 governments (the largest contribution coming from the Italian Government), the Arab League, the High Authority of the European Coal and Steel Community, and the Austrian Trade Union Confederation. Contributions of equipment have been received from manufacturers in several industrialized countries; “Tools for Freedom,” a U.S. business program, has donated US\$500,000 in new machinery and equipment.

Chile—*Layoff and Severance Pay*

The justice of an employer's layoff practices is henceforth to be determined by Decree Law 16,455, promulgated April 6, 1966, which includes severance pay provisions and fines for violations. The decree's explanation of “just cause” includes the normal reasons for dismissing workers, i.e., disciplinary reasons or market-demand problems; however, it also provides a legal framework within which the worker may appeal his dismissal to the labor court. Union leaders are granted protection from layoff for production reasons but not for “just cause.” As defined by the decree, severance pay amounts to 1 month's pay for every year worked with the employer.

Denmark—*Hospital and Medical Workers*

Uniform pay scales and employment conditions for the 2,000 technical and administrative employees of municipal hospitals and medical institutions are provided, for the first time, in a national contract won by the Danish Retail Clerks' and Office Workers' Union. Effective April 1, monthly salaries range from 1,536 Danish kroner (about US\$222.30) for beginning switchboard operators to 2,942 kroner (approximately US\$425.75) for highly skilled technicians. More-

*Prepared in the Office of Foreign Labor Trade, Bureau of Labor Statistics.

over, all employees have been brought under the special pension system for hospital personnel; the employee contributes 4 percent and the employer 8 percent of the salary to the system. A separate agreement with the Ministry of Economics exists for employees of national hospitals.

France—*Christian Workers*

In a surprise move, the Council of Ministers accorded official status to the 80,000-member French Confederation of Christian Workers (CFTC). This puts the federation on the same level as its former parent organization, the 60,000-member French Confederation of Democratic Workers (CFDT), the Communist-oriented General Confederation of Labor (CGT), the Force Ouvrière (FO), and the General Confederation of Supervisory Employees (CGC).

Germany—*Foreign Workers*

The substantial contribution made by foreign workers to the growth of the economy of the Federal Republic of Germany was a major topic at a recent conference sponsored by the German Confederation of Employers' Associations. Members of the conference acknowledged that the country will continue to employ these workers (at present about 5.5 percent of all wage and salary earners) for an indefinite period. Government as well as management representatives urged that the resentment against alien workers which prevails among certain sectors of the population be vigorously combated.

Italy—*Unemployment Compensation*

Recognizing the high priority of its responsibility for relief of unemployment and underemployment, the Government has issued a law which increases compensation payments to unemployed workers. The law (a) extends to 21 months (from 18) the "wage equalization" (sup-

plementary) payments to laid-off industrial workers or those on a reduced workweek; (b) extends until the end of the year special provisions for supplementary payments to workers in the depressed construction industry who are laid off or put on shorter hours; and (c) extends through December 31, 1966, the law authorizing family allowances for unemployed workers, which was due to expire April 1. All benefits are payable through June 1967, as long as the individual worker's eligibility period has not run out.

Japan—*Trade Union Membership*

Trade union membership in Japan increased from 9,800,000 in 1964 to almost 10,150,000 in 1965. According to a recently released survey by the Ministry of Labor, about 36 out of every 100 workers in the organizable work force is a union member. The unions in the right-wing Socialist Japanese Confederation of Labor (Domei) were the biggest gainers (193,000 additional members for a total of 1,659,100 in 1965). The General Council of Trade Unions of Japan (Sohyo) retained its position as the largest national center, though it gained only a modest 43,000 new members to reach a total of 4,249,700 or 42 percent of total union enrollment. The rise in membership chiefly reflects increasing employment.

United Kingdom—*"Restrictive Practices"*

Inaugurating what he described as a "crusade" for higher productivity, Prime Minister Harold Wilson addressed the Amalgamated Engineering Union (AEU) national committee's conference on April 29. The Prime Minister's speech urging support for the Government's incomes policy was part of a series which he is to make at trade union conferences this year. His theme is to be the need for eliminating restrictive union practices in a "second industrial revolution." He startled the rule-oriented AEU by suggesting that it relegate the rule book to the union's industrial museum.

Significant Decisions in Labor Cases*

Operating During a Strike. The U.S. Supreme Court ruled¹ that a struck railroad, being required by the Interstate Commerce Act to provide transportation to the public at all times, may, under the theory of self-help, institute unilateral changes in an existing collective bargaining agreement but only as a court may find them to be "reasonably necessary" for continued operation with replacements.

Following an impasse in contract negotiations with a railroad company, and after the failure of mediation under the Railway Labor Act, the union of nonoperating railroad employees called a strike. After a brief shutdown, the company resumed operations by using supervisory personnel and replacements, the latter under individual agreements "substantially different" from provisions of the existing collective agreement. Subsequently the company proposed to replace the union contract with a new and vastly different one, but when further negotiations failed to resolve the issue, it established a new agreement by unilateral action and operated thereunder until this suit was filed.

During the pendency of this action, a parallel action² by the operating employees against the company for unilaterally instituting a new agreement was decided. The court there held that the company had violated the act by abrogating the collective agreement; that the company could institute unilateral changes in the collective agreements but only if the court found them to be "reasonably necessary to effectuate its right to continue to run its railroad under the strike conditions;" and that the company must abide by all the contractual provisions regarding pay rates and working conditions until termination of the statutory mediation procedure, "except upon specific authorization of this court after a finding of reasonable necessity therefor."

The company then applied for approval to depart from the collective agreement in this case, and the court permitted it to exceed the ratio of apprentices to journeymen and age limitations provided in the collective agreement. However, the court denied the requests to disregard craft and seniority district restrictions, to use supervisors to do craft work, to declare the union shop void as to new employees, to permit it to contract out work when experienced and trained personnel were not available, and certain other requests.

The Supreme Court pointed out that both parties, having exhausted all statutory procedures, were relegated to self-help in adjusting the dispute.³ Since the company was required by law to provide continuous service to the public, "even when beset by labor-management controversies," the Court said, it was justified in establishing, without the union's consent, certain conditions of work necessary for the operation with new and inexperienced personnel. Without this freedom of unilateral action the railroad could not operate, the Court held.

However, the Court said, a carrier's right to self-help is not absolute, and "any power to change and revise basic collective agreement must be closely confined and supervised." A collective agreement is the product of years of struggle and negotiation, and applies to all employees in the designated craft, members and nonmembers alike. In affirming the lower court's decision, the Court concluded:

While the carrier has the duty to make all reasonable efforts to continue its operations during a strike, its power to make new terms and conditions governing the new labor force is strictly confined, if the spirit of the Railway Labor Act is to be honored.

*Prepared in the U.S. Department of Labor, Office of the Solicitor. The cases covered in this article represent a selection of the significant decisions believed to be of special interest. No attempt has been made to reflect all recent judicial and administrative developments in the field of labor law or to indicate the effect of particular decisions in jurisdictions in which contrary results may be reached based upon local statutory provisions, the existence of local precedents, or a different approach by the courts to the issue presented.

¹ *Brotherhood of Railway and Steamship Clerks v. Florida East Coast Railway* (U.S. Sup. Ct., May 23, 1966).

² *Florida East Coast Railway Co. v. Brotherhood of Railway Trainmen*, 336 F. 2d 172.

³ In line with the Supreme Court's decision in *Locomotive Engineers v. Baltimore & Ohio Railroad Co.*, 372 U.S. 284; see also *Monthly Labor Review*, January 1963, pp. 62-63.

The court of appeals used the words "reasonably necessary." We do not disagree, provided that "reasonably necessary" is construed strictly. The carrier must respect the continuing status of the collective agreement and make only those changes as are truly necessary in light of the inexperience and lack of training of the new labor force or the lesser number of employees available for the continued operation. The collective agreement remains the norm; the burden is on the carrier to show the need for any alteration of it, as respects the new and different class of employees that it is required to employ in order to maintain that continuity of operation that the law requires of it.

The dissenting Justice White said that the carrier was free to operate but only under the terms of the existing contract, as modified up to the time of the impasse. He contended that the majority opinion, in effect, permitted the company to bargain with the court, rather than with the union, and that such an exception was contrary to the clear intent of the act.

Justice Fortas did not participate in deliberations or in the decision.

Federal Preemption. The U.S. Supreme Court ruled⁴ that a Federal district court had properly exercised jurisdiction in a suit for damages under Federal and State laws, where it appeared that the claims arose from a "common nucleus of operative fact" and a compelling State interest to maintain peace was apparent. The Court further held that an international union which intervened in an unauthorized action by one of its locals prevented the spread of violence, and directed the dispute onto a lawful path was not guilty of a secondary boycott under the Labor Management Relations Act, nor was it responsible under State law for the violence and alleged conspiracy to interfere with plaintiff's contractual relationship, and therefore could not be held responsible under the State law for damages resulting from such action.

If a union were to be held responsible under the State law for the unlawful and violent acts of its individual members, the union, its officers, or its members must have authorized, participated in, or ratified the acts, and such conduct must be proved by clear, unequivocal, and convincing evidence, which was missing in this case, the Court ruled.

This case resulted from rivalry between the United Mine Workers (UMW) and the Southern

Labor Union (Ind.) for representation of mine workers in southern Appalachian coal fields. When the Tennessee Consolidated Coal Co. closed its mines in the spring of 1960, it laid off 100 members of a local UMW union. Thereafter, Grundy Co., a subsidiary of Consolidated, hired the plaintiff as superintendent to open a new mine on Consolidated's property, using members of the Southern Labor Union, and to haul the mine's coal to the nearest railroad loading point. Armed members of the UMW local forcibly prevented the opening of the mine by threatening plaintiff and beating an organizer of the Southern Labor Union because they believed Consolidated had promised them the new jobs. No representative of the UMW was present.

The field representative of the UMW was out of the State, attending an executive board meeting at the time, but as soon as he learned of the dispute he returned with instructions from the international to establish a limited picket line and to prevent further violence and spread of the strike, which he did. The picket line was maintained for 9 months while the mine remained closed. The plaintiff was discharged as superintendent and allegedly lost other hauling and mine lease contracts as a result of the UMW local's concerted action against him. He sued the UMW international for damages allegedly resulting from violations of the secondary boycott provisions of section 303 of the Labor Management Relations Act,⁵ and from violence and conspiracy to interfere with his contract with Grundy in violation of the State common law.

The jury awarded plaintiff \$60,000 damages under the employment contract, \$45,500 under the hauling contract, and \$100,000 punitive damages. Upon motion, the trial court set aside the award on the haulage contract for failure to prove damage. The district court held that there was no violation of section 303 because the dispute was

⁴ *United Mine Workers v. Gibbs* (U.S. Sup. Ct., Mar. 28, 1966).

⁵ Section 303 of the LMRA reads in part:

"(a) It shall be unlawful, for the purpose of this section only, . . . for any labor organization to engage in any activity or conduct defined as an unfair labor practice in section 8(b)(4) of the [LMRA].

"(b) Whoever shall be injured in his business or property by reason of any violation of subsection (a) may sue therefor in any district court of the United States . . . without respect to the amount in controversy, or in any other court having jurisdiction of the parties, and shall recover the damages by him sustained and the cost of the suit."

primary, since plaintiff did not prove that the UMW local attempted to induce coal and mine operators other than Grundy to cease doing business with him. A remitted award on the State claim was sustained. A Federal court of appeals affirmed, and the UMW appealed.

In applying its rule established in the *Garmon*⁶ decision, that in the absence of congressional direction State law is not preempted when there is a compelling State interest to maintain domestic peace, the Supreme Court held that plaintiff's State claim was sufficient for the trial court to assume "pendent jurisdiction" since the claim alleged conspiracy, violence, and intimidation under the State law. However, the mere fact that Federal law does not preempt the State law does not necessarily give the district court jurisdiction to adjudicate the State claim, the Court observed. The Court went on to say that "pendent jurisdiction" means that—

"The State and Federal claims must derive from a common nucleus of operative fact. But if, considered without regard for their Federal or State character, a plaintiff's claims are such that he would ordinarily be expected to try them all in one judicial proceeding, then, assuming substantiality of the Federal issues, there is power in Federal courts to hear the whole."

The Court added that it is a "doctrine of discretion, not of plaintiff's right. Its justification lies in consideration of economy, convenience, and fairness to its litigants; if these are not present, a Federal court should hesitate to exercise jurisdiction over State claims, even though bound to apply State law to them."

The Court further said that even though the district court dismissed the Federal claims of unlawful secondary boycott and damages for the haulage contract for lack of proof, the district court committed no error in retaining jurisdiction of the State claims of violence and unlawful conspiracy to interfere with plaintiff's contractual relations, although in its discretion it could have dismissed them.

With respect to plaintiff's unseparated State claims, the Court pointed out that recovery is limited to "the consequences, as defined by the traditional law of torts, of conduct marked by violence and imminent threats to the public order," and even then only to damages directly caused by the wrongful conduct.

Regarding the union's alleged participation in a conspiracy, the trial court had said that under Tennessee law, "conspiracy" required that each participant know of the agreement and agree to assist in "the furtherance of an unlawful purpose . . . or any unlawful means of accomplishing an unlawful purpose," whether or not such person authorized, participated in, or ratified it. The trial judge instructed the jury accordingly, without limiting this definition to evidence of violence. In ruling the trial court's unlimited instructions erroneous, the Court held that there was no unlawful object or unlawful means, other than the violence, to which the jury could have attributed the instruction because the picketing had been found to be lawful under section 303 of the Labor Management Relations Act.

Moreover, the Court said, section 6 of the Norris-LaGuardia Act, which "applies to Federal court hearings of State tort claims arising out of labor disputes," specifies⁷ that in order to be liable, an officer, member, or organization in a labor dispute must have authorized, participated in, or ratified the violence, which must be established by a quantum of proof that is clear, unequivocal, and convincing. The Court went on to explain that section 6 was applicable to State claims because it was the intent of Congress to relieve organizations and their officers and members from lawless acts of individual members, and to prevent unions from being destroyed by huge awards of damages, particularly punitive damages provided by State laws.

The Court stressed that for the purposes of the LMRA, "the responsibility of a union for the acts of its members and officers is to be measured by reference to ordinary doctrines of agency." Congress did not repeal the seemingly conflicting section 6 of the Norris-LaGuardia Act, "but left it applicable to cases not arising under [LMRA]," including claims under State laws. Under the test of section 6, plaintiff failed to prove that the UMW engaged in conspiracy as charged. Neither the international nor its field representative knew

⁶ 359 U.S. 236, 247; see also *Monthly Labor Review*, June 1959, pp. 669-670.

⁷ Section 6 of the Norris-LaGuardia Act provides: "No officer or member of any association or organization, and no association or organization participating or interested in a labor dispute, shall be held responsible or liable in any court of the United States for the unlawful acts of individual officers, members, or agents, except upon clear proof of actual participation in, or actual authorization of, such acts, or of ratification of such acts after actual knowledge thereof."

about the violence or the picketing until it had started, and then they did everything possible to avoid further violence, the Court said.

With respect to whether an aura of violence remained from the initial violence for which the UMW could be held liable, the Court held that in the absence of proof that the union approved, participated in, or tolerated further violence, or intentionally drew upon the previous violence for their force, liability could not be imposed upon the union. A contrary "impression" is too ephemeral a product to be the result of 'clear proof,' the Court said.

The concurring Justice Harlan, with whom Justice Clark joined, agreed with the Court's application of section 6, but differed with its interpretation of the necessary quantum of proof. The Court's interpretation reduces the quantum of proof to less than "beyond a reasonable doubt" necessary for criminal cases, he said.

"The best reading I can give the statute, absent more light than has been shed upon it in this case, is one directing it against a particular type of inferential proof of authority or ratification unacceptable to those who framed the law," Justice Harlan said.

Enforceability of NLRB Order. In an unfair-labor-practice case⁸ involving illegal discharge and discrimination for union activities, a Federal court of appeals enforced an order of the National Labor Relations Board to a company only insofar as backpay was concerned, but not with regard to provisions (including one for negotiation with a newly certified union) which require the existence of a "functioning employer," since the company had sold its production facilities following the issuance of the order. The case was remanded for determination by the Board whether the successor companies were employers against whom the entire order could be enforced.

Following a representation election among employees of two corporations, subsequently found by the Board to be actually one enterprise, the cer-

tified union failed to reach an agreement with the management and instituted proceedings before the Board, alleging unfair labor practices. The joint management was charged with discharging some employees for union activities, and with leasing a plant of one of its corporations to an outside firm and refusing to reemploy 13 of the affected employees in the second corporation, which was then hiring men.

The Board ordered the management to reinstate all discharged workers with backpay and to bargain with the union upon request. It further directed the management to make available to the Board all records necessary for the computation of backpay and to take certain procedural steps usual in such cases. The appeals court was asked to enforce the order.

Following the issuance of the NLRB order, the management sold all its production facilities to other companies.

The court said the evidence in the record supported the findings of the Board. It agreed with the Board that 13 employees of the leased plant had been discriminatorily discharged. It pointed out, however, that there was no evidence in the record that the employees sustained losses by reason of wrongful discharge, and remanded the question of the loss of pay to the Board for determination.

In denying other actions ordered by the Board, the court said "the change of circumstances since the adoption of the Board's order (it appearing that respondents are no longer functioning employers having sold all their manufacturing facilities), a decree of enforcement against respondents of the full terms of the order, which was rendered prior to the said sales would be in the court's opinion, a vain act." It also denied the Board's request for full enforcement of the order, with the Board subsequently determining whether the order was enforceable against the successor companies. This would be an improper procedure, the court held.

⁸ *NLRB v. Schnell Tool & Die Corp.* (C.A. 6, Apr. 27, 1966).

Chronology of Recent Labor Events

June 10, 1966

THE NLRB found that both General Motors (Van Nuys, Calif.) and the Auto Workers had violated the LMRA by including in their contract provisions prohibiting distribution of union literature by labor organizations other than the contracting union. The Board found that denying employees the right to encourage changes in union representation infringes upon the basic rights, and ordered the parties to nullify the provisions.

THE Leather Goods, Plastic and Novelty Workers ended their 30th convention after delegates reelected President Norman Zuhowsky and other officials, established a national policy committee, increased per capita payments by 13 cents a month, and adopted minimum standards for collective bargaining contracts throughout the industry.

FOLLOWING a 2-day strike, the Commercial Telegraphers reached agreement with Western Union covering 20,000 workers throughout the United States. Wage increases of over 9 percent during the 2 years of the contract cover all workers except bicycling and walking messengers. In addition, the contract included provisions for job protection, special raises for workers with technical skills, gradual elimination of all pension plan contributions by telegraphers and lowering of the mandatory retirement age.

A 3-YEAR AGREEMENT was signed between five forest products companies—Weyerhaeuser Corp., U.S. Plywood Corp., Crown Zellerbach Corp., International Paper Co., and Rayonier, Inc.—and two major lumber unions—Lumber and Sawmill Workers and the Woodworkers. The increase includes 48½ cents in wages and 6½ cents in

benefits; the first increase, of 20 cents, is effective June 1966 for about 21,000 workers.

The Timber Operators Council agreed to similar terms with the same two unions, except that it granted a 2½-cent inequity adjustment effective in 1968 for the 27,000 workers employed by 200 firms in the Council.

June 21

A 1-YEAR AGREEMENT between Schenley Industries, Inc., and the National Farm Workers Association (Ind.) provided a 35-cent an hour across-the-board increase and raised minimum pay to \$1.75 an hour. Provisions were made for a full union shop with dues checkoff and hiring hall.

June 22

THE International Labor Conference ended its 3-week annual session in Geneva, Switzerland. United States worker delegate Rudolph Faupl had left the conference on June 1 when delegates elected a Polish candidate to preside over the conference.

June 24

WESTERN GREYHOUND and the Amalgamated Transit Union ended a 6-week strike. The 2-year settlement provides wage increases in the first year of 4 mills a mile for drivers and 10 cents an hour for other employees. In the second year, the company will make all contributions to the pension plan, presently 4 percent of the employees' wages. Cost-of-living adjustments, pension and vacation improvements, and an added holiday were included.

June 29

NEW YORK Governor Nelson A. Rockefeller signed bills repealing two sections of the State's 53-year-old railroad full crew law. State AFL-CIO leaders had announced 2 weeks earlier that they would no longer oppose repeal, on grounds that most national agreements now provide this protection. Repeal action authorizes the State's railroads to eliminate gradually about 600 firemen jobs on trains other than those with diesel engines.

Developments in Industrial Relations*

WITH CONSTRUCTION BARGAINING at its seasonal peak, the building trades were most actively engaged in strikes for the second consecutive month.¹ Questions of manning and automation were dealt with in two maritime settlements, while a railroad settlement improved job security provisions.

Construction

Strikes by Carpenters in Denver, and Flint and Saginaw, Mich., by Carpenters and Bricklayers in South Central Michigan and by Bricklayers in Minneapolis were still in progress in early June. A strike by Operating Engineers in northern Illinois ended over the Memorial Day weekend when strikes by Carpenters in Miami and in Washington, D.C., and by Hod Carriers in Detroit were also settled.

The 7-week strike by 4,500 Operating Engineers in 12 northern Illinois counties ended early in April when 35 major contractors signed separate agreements. The 52-month contracts provided \$1.40-an-hour package increases. Prior to the settlement, workers had reportedly averaged \$4.30 an hour in wages and employers had contributed 20 cents for benefits; the package would therefore represent a 31.1-percent increase or 6.4-percent annual increase. A State of Illinois official estimated that nearly 20,000 additional construction workers had been laid off because of the strike before it was settled with the aid of Mayor Richard J. Daley of Chicago.

A 47-day strike in the Miami area against the Associated General Contractors and the Home Builders Association ended on May 17 when some 5,000 Carpenters agreed on a 3-year \$1.26 package. About 1,000 Carpenters had returned to work early in April after 91 contractors had signed agreements. The 20-cent-an-hour wage increase provided a base rate of \$4.10 an hour. The rate

will rise to \$4.25 an hour, effective October 1, 1966, to \$4.45 on April 1, 1967, to \$4.60 on October 1, 1967, to \$4.80 on April 1, 1968, and to \$4.95 by October 1, 1968. Employers' contributions for health and welfare were increased to 20 from 10 cents an hour; employers also agreed to contribute an additional 1 cent an hour to establish an apprenticeship fund. Contractors will contribute 10 cents an hour to establish a pension plan to be effective April 1, 1967. The package amounted to a 31.5-percent increase or 9.6 percent annually.

A 3-year, 85-cent-an-hour package agreement for 6,000 workers ended a 3½-week strike on May 24 by carpenters in the Washington, D.C., area. The contract provided a 15-cent-an-hour wage increase effective May 1, 5 cents in November 1966, 15 cents in May 1967, 15 cents in November 1967, and 30 cents in May 1968. Increases in employer contributions of 2 cents to the pension fund and 1 cent to the health and welfare fund are to be effective November 1, 1966; employers also agreed to contribute 2 cents an hour to establish an apprentice training school which is to begin November 1966. The prevailing rate was \$4.10 an hour plus 25 cents in contributions to benefit funds; the total increase of 19.5 percent averaged 6.1 percent annually.

Construction settlements which affected at least 70,000 other workers were reported during May:

Boston Carpenters: A \$1.15-an-hour wage increase over a 3-year period provided 5,000 workers with a 25-cent-an-hour wage increase May 1, 1966, 10 cents in November 1966, 35 cents in May 1967, 5 cents in November 1967, and 40 cents in May 1968. The previous area scale for carpenters was \$4.50 an hour in wages plus 15 cents an hour for welfare and 15 cents for pension benefit funds. The contract amounted to a 23.96-percent increase, or 7.4 percent annually.

Philadelphia Laborers: Over the next 4 years, 9,000 laborers were to receive 90 cents an hour in wage increases: 20 cents an hour on May 1, 1966, 25 cents in 1967, 25 cents in 1968, and 20 cents in 1969. The previous wage scale ranged from \$3.15 to \$3.45 an hour and benefits were 25 cents an hour. The May 3 contract provided

*Prepared in the Division of Wage Economics, Bureau of Labor Statistics, on the basis of published material available in early June.

¹ Idleness caused by strikes in May was the highest for the month since May 1959. Idleness amounted to 2,870,000 man-days or 0.26 percent of the estimated total working time, compared with 0.19 percent in May 1965 and 0.24 percent in May 1964. Some 480 stoppages involving 208,000 workers began in May, against 450 stoppages involving 127,000 workers the previous May (preliminary figures).

for a 24.3- to 26.5-percent increase, or 5.6 to 6.0 percent annually.

Buffalo Electricians: A 3-year pact providing a total of \$1.10 an hour in wages was agreed to by Electrical Workers (IBEW) and the Buffalo Chapter of the National Electrical Contractors Association. Ratified April 12, the agreement provides 25 cents on May 1, 1966, 35 cents in May 1967, and 40 cents in May 1968. In addition to wage increases, the contract reduced the workweek to 35 from 37½ hours beginning May 1 for the 1,000 workers. Employers also agreed to contribute 10 cents an hour beginning November 1, 1966, to establish an annuity fund. Previous scale was \$5.11 an hour plus 35.1 cents an hour in employer contributions for benefits. The contract provided a 20.1-percent increase or 6.3 percent on an annual basis.

Chicago Carpenters: A 1-year agreement providing a 35-cent-an-hour wage increase was effective June 1 for 20,000 Carpenters. Contractors will continue to contribute an additional 31 cents an hour to various benefit funds. Based on the previous scale of \$4.85 an hour and the employers' contributions, the contract represents a 6.8-percent increase.

Southern Illinois Carpenters: A 3-year 70-cent-an-hour agreement announced April 7 provided wage increases of 25 cents an hour April 1, and 22½ cents effective both April 1, 1967, and April 1, 1968, for 20,000 workers. The previous scale was \$3.90 an hour.

Tampa Carpenters: A 65-cent-an-hour package settlement reached in April provided 2,750 workers with a 20-cent-an-hour wage increase the first year, 10 cents an hour the second year, and 20 cents the third year. The agreement established employer welfare contributions of 10 cents an hour the second year, increased by 5 cents the third year. The 65-cent package increase was 17.6 percent over 3 years, or 5.5 percent annually.

Detroit Electricians: A 2-year 72.6-cent pact provided 3,000 Electrical Workers (IBEW) a 20-cent-an-hour wage increase May 1, an additional 20 cents in 1967, and a 10-cent-an-hour increase in both the pension fund and the welfare fund, effective May 1, 1966. Employer contributions were to increase by 5 cents for pensions and 4 cents for welfare, effective May 1, 1967. The contract also provided double time for work after 7 hours a day. The previous scale was \$5 plus 75 cents in various benefit funds—a 12.6-percent increase, or 6.1 percent annually.

Minnesota Highway Construction Drivers (Teamsters): A 4-year contract provided a 20-cent-an-hour wage increase to 5,000 drivers in each year of the contract. Previous scales ranged from \$3.22 to \$4.00 an hour. The 80-cent package increase represents a 20.0- to 24.8-percent increase, or 4.7 to 5.7 percent annually.

St. Louis Unions: Carpenters, Laborers, Operating Engineers, and Iron Workers agreed to 3-year \$1.05-an-hour

package settlements. Signed in late April, the Carpenters settlement provided 5,000 workers with a 20-cent-an-hour increase May 1, 1966, 15 cents November 1966, 35 cents May 1967, and 35 cents May 1968. (The May 1968 increase could be allocated to wages or benefits.) The previous scale was \$4.775 an hour with additional employer contributions of 10 cents each to the welfare and vacation funds and 1 cent to the industry advancement fund. The \$1.05 increase was a 21.1-percent increase, or 6.6 percent annually.

The Laborers agreement included increases in wage and fringe benefits totaling 35 cents an hour in each of the 3 years of the contract. Previous scale for laborers was \$3.475 per hour for residential and \$4.035 per hour for commercial work, including 30 cents in fringe benefits. The increase for 6,100 workers amounted to a 26- to 30.2-percent, or 8 to 9.2 percent yearly.

The Operating Engineers agreement provided 2,300 workers with wage increases of 20 cents an hour on May 1, 15 cents an hour in May 1967, and 35 cents May 1968. (Some of the 35-cent wage increase for 1968 could be diverted to benefits.) Terms included 15 cents an hour beginning May 1, 1966, to establish a welfare fund, and 20 cents an hour beginning May 1, 1967, to establish a vacation fund. The prevailing wage ranged from \$4.225 to \$4.775 an hour including 10 cents an hour originally intended to be used to establish a welfare fund but paid in wages instead. Employers contributed an additional 20 cents to a pension fund and 2 cents to an industry promotion fund. The \$1.05 an hour was an increase of 21.0 to 23.6 percent, or 6.6 to 7.3 percent annually.

The Iron Workers contract provided 1,800 employees with a 15-cent-an-hour wage increase effective May 1, and additional wage increases of 10 cents November 1, 1966, 25 cents May 1967, and 25 cents May 1968. Employer contributions to benefit funds were increased as follows: welfare fund to 15 cents (from 10 cents) effective May 1, 1966; vacation fund to 20 cents (from 10) effective November 1, 1966; and pension fund to 20 cents (from 10) beginning May 1, 1967, and an additional 5 cents in May 1968. The previous wage scale was \$4.775 which included the employer vacation fund contributions. The increase was 21.0-percent total, or 6.6 percent annually.

Southern Nevada Plumbers and Pipefitters: A 3-year \$1.20-an-hour package agreement was signed in early May, 54 days before the old contract expired. The agreement provided 1,100 workers with a 23-cent-an-hour scale increase, 12 additional cents for fringes effective July 1, 1966, and a 10-cent scale-increase effective January 1, 1967. Increases of 40 cents (effective July 1967) and 35 cents (July 1968) were to be allocated between fringes and wages as designated by the members. The \$1.20-an-hour package was a 17.8-percent total increase, or 5.6 percent annually.

Transportation and Utilities

After almost a year of negotiations, the Pacific Maritime Association, which represents 12 United

States Flag Companies with more than 6,000 jobs, reached a tentative 4-year agreement² with three unions³ affiliated with the Pacific District of the Seafarers International Union.

The contract stipulated that there must be agreement on all changes in crew size; this provision is not to be subject to arbitration or court review. If involuntary reduction in manning is caused by automation, employers must pay half of the base pay for the ratings eliminated into a jointly administered automation fund for a period of 5 years after the job is abolished. Employers must also continue contributions for pensions, welfare, and other benefits for the jobs that were abolished.

Retirement was provided after 20 years of service in June 1968; previous normal retirement was at age 62 with 20 years of service. The maximum pension benefit was increased to \$200 a month from \$150, retroactive to June 16, 1965, and to \$250 a month on June 16, 1968; early and disability pensions, as well as benefits for children under 18 years of age, were to be improved. To finance these benefits, ship operators agreed to increase their contributions to \$2.26 (from \$1.27) a man-day retroactive to June 16, 1965, with a further increase to \$3.99 on June 16, 1968.

An "economic package" was also agreed to under which employers were to increase their payments by \$100 by the fourth contract year (\$25 a month per job in each successive year of the contract),⁴ to be allocated by each of the unions to wages, health and welfare benefits, work rules changes, etc. One union official predicted that 85 percent of the amount would be allocated to wages, thus raising the basic monthly pay for an able-bodied seaman from its present \$521 to more than \$600 in the fourth contract year.

Ship operators agreed to pay for a training program to instruct union members in skills required by new equipment and to upgrade existing skills. In addition, the companies agreed to increase their contributions to the Seamen's Medical Center to 10 cents (from 5 cents) per man-day on the acceptance of the contract, with a further increase to 15 cents when determined by the fund trustees.

Other pact provisions included provisions for a television receiver, not less than 21 inches, to be installed in the ship's recreation room or its equivalent, and an automatic ice cube machine on

each vessel. It was stipulated that the laundry room must be equipped with a steam iron and dryer. A rate of \$6.76, instead of \$4.82, an hour was provided for the handling of explosives.

After several months of negotiations with the American Merchant Marine Institute, the National Maritime Union (NMU), which represents unlicensed shipboard personnel, won its demand to have three additional crewmen in the deck department on automated ocean freighters operated by five major steamship lines.⁵ The additional crew positions bring the total to 26 or 27 per freighter, depending upon the type of vessel; most nonautomated vessels have 34 crew members. Signed in late May, the agreement immediately affected 10 freighters that had entered service in recent years with automatic bridge-control of engine room functions and various devices below deck designed to lessen manual functions.

In mid-May, Railway Express Agency, Inc. (REA) and the Railway Clerks negotiated a 13-month contract providing a 25-cent-an-hour wage increase in three steps and a minimum wage of \$120 a week for 35,000 workers. A 10-cent increase was made retroactive to July 1, 1965, for most workers and to January 1, 1965, for former Teamster members. (In a systemwide representation election late in 1965, the Clerks had displaced the Teamsters, which represented 3,200 vehicle workers in eight cities.) An additional 6 cents an hour was provided for July 1, 1966, and a final 9 cents on January 1, 1967. The minimum of \$3 an hour or \$120 a week becomes effective on May 1, 1967—reportedly bringing adjustments of up to \$41 a week in addition to the across-the-board increases.

Other terms of the agreement include a fourth week of vacation after 20 years of service, an eighth paid holiday—Good Friday, and health and welfare benefits similar to those for railroad nonoperating employees. REA was to pay \$25.72 a month to provide these benefits.

The Southern Pacific Co. and the Railway Clerks negotiated a pact—effective May 1, 1966,

² Retroactive to June 16, 1965.

³ Sailors Union of the Pacific, Marine Firemen, and Marine Cooks, reportedly with a combined membership of 15,000.

⁴ The first-year allocation is also retroactive to June 16, 1965.

⁵ U.S. Lines Co., Lykes Brothers Steamship Co., the Grace Line Division of W. R. Grace and Co., Moore-McCormack Lines, Inc., and Prudential Steamship.

and extending to December 31, 1970—that improved the job security provisions of their 1963 agreement.⁶ Protection was provided for all employees with 2 years of service as of May 1, 1966, and 15 days of service in 1965. Both new employees and those not qualified under the previous agreement were to become eligible for protection after 12 months of continuous assignment to permanent positions (including guaranteed “extra board” jobs), and at least 2 years of employment. No more than 4 percent of the permanent jobs were to be eliminated by attrition in any year. In each region, the minimum number of jobs on the extra board was raised to at least 12 percent, from 7 percent, of the number of permanent positions. All employees who must change residence to fill a job were to receive various moving benefits, such as protection from loss by selling their homes.

On May 28, Mayor John V. Lindsay of New York City awarded increases in commission rates to 18,000 part- and full-time drivers of fleet-owned taxicabs and provided a union shop for the Taxi Drivers Organizing Committee (TDOC) as part of an 18-month contract.⁷ A 5-day strike had ended May 17 when both sides submitted outstanding issues in the dispute to Mayor Lindsay for arbitration.

The award increased drivers' commissions in two steps; a 46-percent commission rate was provided retroactive to May 17, increasing to 47 percent on December 1, 1966. Most fleet taxicab drivers had received a 44-percent commission and some received 45 percent. Industry sources estimated the increased rates would provide a \$4.50 increase for a 5-day week.

The TDOC represents 18,000 drivers in 67 fleet garages. An additional 5,000 drivers employed by 13 additional fleets were expected to receive similar terms. Before submitting the dispute to Mayor Lindsay, the parties had agreed to 1 week of vacation after 1 year of service and 2 weeks after 4 years. The Mayor added a provision entitling drivers working at least 240 days a year for not more than two garages to pro rata vacation pay. Other provisions of this first contract included retirement pay of \$50 a month at age 65 with 25 years of service with any New York cab fleet; life insurance with a special benefit for death while on duty; health and welfare benefits; break-

down pay for time spent in a disabled cab; and call-in pay.

Appointed as arbitrator by Mayor Lindsay, Eric J. Schmertz issued a companion award for mechanics and maintenance men, providing a \$4-a-week wage increase, a reduction in hours, and other improvements.

About 5,000 Transit Union bus drivers and clerks in 11 western States⁸ struck Western Greyhound Lines on May 15; their contract had expired on February 28. The company had offered a 4½- to 5-percent wage and supplementary benefit package in each year of a proposed 2-year contract. Many issues of wages and working conditions were still unresolved—but the major outstanding issue was the union's demand for an improved pension plan.

A 9-day strike by 11,000 Electrical Workers (IBEW) against the New England Telephone and Telegraph Co. ended on May 25 with the return of 10,000 of the strikers. (Some 1,000 members of Local 2, 1 of the 25 locals involved in the dispute, returned the following day after a 1-day suspension.) Two members of Local 2 were suspended after refusing to work on a new type of telephone that they claimed was not covered by the contract. After seven additional members of the Local were suspended for refusing to work the overtime necessitated by the original disciplinary action, the entire Local walked out for 4 hours. Refusal of the company to allow members of Local 2 to return to work for 3 days led to a walkout of another 10,000 Electrical Workers in Massachusetts, Rhode Island, Maine, New Hampshire, and Vermont.

A 1-year agreement between Peoples Gas Light and Coke Co. in Chicago, and the Building Service Employees Union provided for a 4.26-percent wage increase, averaging 15.29 cents an hour. Reached on May 1, the contract covered some 2,100 service and repair employees.

The Georgia Power Co. and the Electrical Workers (IBEW) agreed to a 3-year contract covering 3,500 workers. Provisions were made for a 3.5-percent wage increase (with a minimum \$22-a-month increase to journeymen), retroactive

⁶ See *Monthly Labor Review*, May 1963, p. 558.

⁷ See *Monthly Labor Review*, August 1965, pp. 993-994.

⁸ Arizona, California, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, and western Texas.

to July 7, 1965; and a similar wage increase to be effective on July 1, 1966.

Metalworking

After breaking off contract negotiations with the Machinists, the Hamilton Standard Division of United Aircraft Corp. (manufacturer of airplane propellers at Broad Brook and Windsor Locks, Conn.) announced in late April that it was putting into effect a wage and benefit package similar to that provided by the Sikorsky Division agreement with the Teamsters⁹ and the Pratt and Whitney Division agreement with the Machinists at Southington, Conn.¹⁰ In an effort to settle litigation, a similar arrangement had been put into effect in December for the 18,000 workers represented by the Machinists at Pratt and Whitney Aircraft Division, East Hartford. The package included 8- to 14-cent-an-hour wage increases in each of 3 years, a 9th paid holiday, 3 week's vacation after 10 years rather than 12 and 4 weeks after 20 years, improved pension and insurance benefits, and a combination sick leave or funeral leave plan.

On May 2, the Essex Wire Corp. announced the establishment of a retirement program for some 5,000 nonunion salaried workers at 43 plants and 27 warehouses throughout the Nation. Pension benefits, fully paid by the company, were to be \$2 a month for each year of credited service to January 1, 1967; \$5.50 a month for service between January 1, 1967, and January 1, 1972; and \$6.50 a month for each year of service thereafter. Retirement benefits were to be effective after January 1, 1969, for employees retiring with 2 years or more of coverage. The plan included provisions for early retirement, vesting, disability, optional retirement, and death benefits. Employees could continue to accumulate benefits beyond retirement age.

By ratifying a 3-year contract covering 2,600 workers, the Independent Steel Workers' Alliance ended its strike of almost 3 months against Keystone Steel and Wire Co. of Peoria, Ill. The May 3 agreement provided an immediate upgrading of maintenance journeymen by two job classes; in addition there was a 3½-cent-an-hour general wage increase with increment increases to higher

classified workers or a 7-cent-an-hour increase to nonclassified tonnage and piece workers effective August 1, 1967. Other provisions included a funded pension plan effective July 1, 1968, which was to provide early retirement after 30 years at age 60 and improved insurance benefits.

Negotiating under a wage reopener of an agreement due to expire in April 1967, the independent Communication Equipment Workers agreed on May 1, with officials of the Baltimore Works of Western Electric Co. on a 7- to 12-cent-an-hour wage increase. Some 4,900 hourly employees were affected by the increase which was retroactive to April 24.

Other Manufacturing

A 1-year agreement was reached on May 11 by the Associated Milk Dealers, Inc., and Local 754 of the Teamsters; the contract provided wage increases of \$4 a week retroactive to May 1 for some 2,000 inside dairy employees in Chicago. Supplementary benefits, including an additional week of vacation for each employee, were expected to cost \$4 a week; employees had previously received 2 weeks of vacation after 1 year, 3 weeks after 5, and 4 weeks after 15 years. Procedures for arbitration of grievances and disputes were also modified. The settlement was preceded by 4-hour strikes at three of the dairies. Some dairy officials indicated that a price rise in certain dairy products was in the offing. The association represents 26 major dairies which provide 95 percent of all milk and related dairy products consumed in the Chicago area.

Wages were increased 6 to 8 cents in each year; 3 weeks of vacation were provided after 10 instead of 12 years; and a major medical plan was established in a 2-year contract between the Campbell Soup Co. and the Packinghouse Workers which represents 2,500 employees at the company's Camden, N.J., plant. A long-term disability insurance plan for full-time employees which provides benefits until the employee returns to work or reaches age 65 was to become effective in 1967; the previous maximum was 26 weeks.

Agreement was reached on a 2-year contract between Planters Peanuts (a division of Standard Brands, Inc.) and the Retail, Wholesale and Department Store Union, representing 1,700 em-

⁹ See *Monthly Labor Review*, May 1966, p. 540.

¹⁰ See *Monthly Labor Review*, February 1966, pp. 191-192.

ployees in Suffolk, Va. Wages were increased 9 cents an hour retroactive to May 1, 1966, with an additional 9 cents becoming effective on February 1, 1967. Vacations, pensions, and job security benefits were also improved.

In the women's coat and suit industry, the Ladies' Garment Workers signed a 3-year contract with the Kansas City Garment Manufacturers' Association for some 2,000 workers in Kansas City, Mo., and a similar agreement with the Coronet Manufacturing Co., employing 700 workers. Under the agreements, signed in mid-May, pieceworkers and cutters received wage increases of 15 cents and other timeworkers, 10 cents an hour, with additional increases of 7 cents, 15 cents, and 6 cents to these respective classifications to be effective May 1, 1968. New minimum rates ranged from \$1.50 for miscellaneous help, to \$3.25 for skilled cutters—increasing to \$3.35 on May 1, 1968. Piecework earnings were set to yield at least 20 percent above craft minimums. A seventh paid holiday, the last working day before Christmas, and 2 weeks of vacation after 3 instead of 5 years were included. There were also provisions for renegotiation of the wage structure when the Federal minimum is raised and for a wage reopener when the CPI rises 2 percent.

Conventions

One major convention discussed current proposals for putting production workers on an annual salary, and salaries for blue-collar workers were also discussed by the president of the Steelworkers. Walter Reuther keynoted the Auto Workers 20th Biennial Convention, by calling for replacement of hourly pay for production workers by an annual salary plan.¹¹ Mr. Reuther declared that he would seek the salary plan in the 1967 round of bargaining with the auto industry, and then propose the plan to employers in the agricultural implement and aerospace industries.

The delegates approved a constitutional change that added a fourth member-at-large to the union's executive board. (Of 1.3 million dues-paying members in 1965, 170,000 were women). All the top officers were reelected by acclamation.

In an address to the University of California's annual industrial relations conference, Steelworkers President I. W. Abel echoed Walter Reuther's call for the conversion of hourly wage rates to

salaries. Mr. Abel asked for contracts providing for "payment of wages from the time a worker leaves his home until he returns." Another bargaining goal suggested by the union leader would give production workers the right to participate in stock option plans and similar fringe benefits currently used by corporations "to lure and keep top executives." Mr. Abel stated that these and other proposals were an "agenda for the bargaining table of tomorrow" and "should not be misconstrued as the 1968 collective bargaining program of the United Steelworkers."

Some 1,500 delegates to the Clothing Workers 25th biennial convention which started May 23 in Atlantic City, N.J., heard President Jacob Potofsky outline five union goals in the social welfare field: The best education and training possible, the best medical care, a decent home, a suitable job, and an adequate income. Making his first major talk to a union convention, United Nation's Secretary-General U Thant urged the labor movement to devote "energy and organization" toward establishing a world order in which peace and democratic principles "really prevail." The convention adopted a resolution urging the administration to "renew its efforts to negotiate a peaceful settlement" in Vietnam.

Addressing the Packinghouse Workers 15th biennial convention in Los Angeles which began May 16, President Ralph Helstein stated that the labor movement must be an instrument of protest and social change in the slums and ghettos as well as in the factories and shops. The convention passed a resolution which declared that "This is no time for a slowdown in civil rights" and endorsed pending civil rights legislation.

The Retail, Wholesale and Department Store Union began its 10th quadrennial convention in Miami Beach, Fla., on May 23. President Max Greenberg told the delegates that the union has had "amazing success" during the past year in organizing some 5,000 employees in Georgia, Alabama, and other southern States. The convention voted to raise per capita payments, unchanged since 1958, from 85 cents to \$1.15 per month.

Other union conventions held in May included the 25th anniversary convention of the Distillery Workers in Miami Beach, May 14-21; the Upholsterers in Palm Beach, beginning May 5-13; the

¹¹ See pp. 733-735 of this issue.

Furniture Workers in Milwaukee, on May 9-13; the Firemen and Oilers in Montreal, Canada, on May 9; and the 75th anniversary convention of the Hotel and Restaurant Employees in St. Louis on May 23.

Other Developments

The President's Committee on Labor-Management Policy was reactivated by President Lyndon B. Johnson after an 18-month hiatus. In addressing the Committee's opening session, President Johnson asked for "constructive suggestions" on the Administration's wage-price guideposts, the effectiveness of its overall program of voluntary restraints, and business and labor's role in the program. Cochairmen of the committee are Secretary of Labor W. Willard Wirtz and Secretary of Commerce John T. Connor. The rest of the panel consists of representatives of labor, management, and the public.

Lloyd Green, 45, financial secretary of Painters Local 1178 in Hayward, Calif., was the second union official in the San Francisco area to be mur-

dered within a month; on April 5, Dow Wilson, 40, recording secretary of Painters Local 4 in San Francisco, had been shot. The two union leaders had been highly critical of the conduct of the international union. After the second killing, Morris Evenson, Mr. Wilson's successor as Local 4 recording secretary, stated that because of the failure of the international to send a word of condolence following the death of Dow Wilson, the Local would no longer pay dues to the union's international office. On May 11, 5 days after Lloyd Green's death, four suspects in the slayings were arrested by San Francisco police, and a fifth man was arrested by the FBI on the following day. Two of the suspects, Norman Call and Max Ward, were contractors in the Sacramento area and were employer members of a jointly administered pension fund. Mr. Wilson had reportedly questioned some loans made from the fund. In a related development, Sture Youngren, administrator of the fund, committed suicide after admitting the misappropriation of \$60,000 from the fund. Mr. Youngren had implicated Norman Call in the misappropriation.

Book Reviews and Notes

X = Lag

The Use of Mathematics in Economics. Edited by V. S. Nemchinov (Russian edition) and A. Nove (English edition). Cambridge, Mass., The M.I.T. Press, 1965. 377 pp. \$12.50.

I learned something about the development of mathematical economics in the U.S.S.R. from reading this book, but not nearly as much as I had anticipated. Their development is coming along nicely, but, figuring as scientists often do, this book indicates that the Russians will take at least a decade to catch up to our present stage of knowledge in this area.

Those of us who have participated in the intellectual struggle for the recognition and acceptance of mathematical methods in economics are naturally pleased to see Soviet economics turn in this direction, for the common language of mathematics will surely give us a sound means of objective communication with our Eastern colleagues. It was with much hopeful anticipation that I read this symposium by Soviet economists and Oskar Lange.

The book contains contributions by Nemchinov, V. Novozhilov, L. Kantorovich, O. Lange, and A. Lur'e. Nemchinov's contributions are general and parental. They contain little in the way of mathematics or on the prospective use of mathematics in economics. The other papers have more mathematical content, but they are all "wordy" by our standards. Some of them would be classified as nonmathematical papers in our present journal collections.

Novozhilov's "Cost-Benefit Comparisons in a Socialist Economy" is an excellent paper, though somewhat long and tedious in its numerical examples. It is a remarkable paper for its economic content, apart from the question of the use of mathematics. It deals with criteria for investment decisions, optimization in economic planning, and socialist principles of measurement. Novozhilov

develops many interesting concepts like ours on internal rate of return, profit, interest, productivity, and other objects of economic calculations. This is clearly an important piece of work, but is misplaced in a book on the use of mathematics in economics.

Lange's paper reads beautifully and calls to mind his days in this country. Actually, Lange's is the only paper in the book that does not clearly smack of having been translated. There is an unfamiliarity in style, terminology, and approach in all the papers. Lange gives a nice expository treatment of input-output analysis, following closely the presentation in his book, *An Introduction to Econometrics*. He demonstrates both static and dynamic input-output models with close analogy to the Marxian schemes of reproduction. (*Das Kapital*, Vol. II.) Another interesting bit of manipulation is Lange's working out of formulas for macroeconomic growth rates, and other aggregative statistics from the dynamic input-output model.

In two chapters, Kantorovich gives his original contributions to the subject we call linear programming. The first chapter comes from his original works (1939), and establishes his priority of thought. The second chapter brings his ideas forward into the 1940's and 1950's. These are the most mathematical of the whole volume and show the directions that Soviet mathematical economics is following in working out models of optimization. The argument proceeds to a large extent by examples which are confined to the specific problems of individual processes, the single firm, or the industry.

There are some general observations on overall planning by mathematical methods. Kantorovich shows how his linear methods can solve specific problems, and in an appendix proves the existence of "resolving multipliers," which complete the solution of the linear optimization problem with inequality constraints.

There are two extremely important aspects to Kantorovich's contribution. In the first place, they show the universality of scientific thought. If the methods of linear programming had not been developed in one part of the world, they would clearly have been developed in another. It is amazing that Dantzig, Koopmans, and others were working on the same problem in the 1940's, unaware of Kantorovich's 1939 results.

The second aspect of Kantorovich's papers is their demonstration that mathematical methods will surely make an important contribution to the Soviet economy at the level of the individual plant, or department within a plant. They will definitely lead to cost savings. Sovietologists are bearish on the possible contribution of these methods to overall planning, however, because the Soviets lack our type of price system. I think that the experts may be in for a major surprise on this score, but I am willing to concede that the point is debatable. In any event, there are already significant contributions at the plant level.

In the final contribution, Lur'e shows how the transportation problem can be worked out for railway networks. He concentrates on the graphical method, but indicates how Kantorovich's general mathematical methods can be used to reach a solution. In complicated situations with many points of origin and destination of shipments, the problem is too difficult for a full graphical treatment, and general methods will have to be applied with a computer facility.

—LAWRENCE R. KLEIN

Professor of Economics

Wharton School of Finance and Commerce

Teachers' Aid

Labor in the United States. By Sanford Cohen. Columbus, Ohio, Charles E. Merrill Books, Inc., 1966. 640 pp. 2d ed. \$8.95.

This book is the second edition of a widely used text which first appeared in 1960. Those pleased with the first edition will be favorably inclined toward the second, since the changes, beyond updating, are slight; only 2 of the 24 chapters are new.

Coverage of the book, as in the first edition, is broad. The labor force, the major problems arising from the employer-employee relationship, trade unionism and collective bargaining, and legislation related thereto, wages and economic insecurity, and relevant U.S. laws are all covered. Most professors who wish to base a survey course in labor problems on one text book will find the bulk of the subject matter they wish to cover discussed by Cohen.

As in the first edition, Cohen, an experienced professor, author, and government employee writes clearly and communicates well. I have found the first edition of the book to be "teachable" and generally accepted by students; it seems likely that this edition will earn a similar response.

No book is likely to escape all criticism, however. While I feel the coverage, clarity, and professional competence of presentation is quite good, I would prefer a different organization. After introducing the general subject matter and the background and composition of the labor force, the author moves to an examination of unionism and bargaining in the United States. It would seem that before such a discussion is undertaken, the student should be led through some examination of the problems that arise out of employee status, the difficulty of solving many of these problems through individual effort, and the conflicting goals and points of view often held by workers and employers. Such analysis would seem to be basic to understanding why unions evolved and why they grew so slowly and with such frequent opposition.

Also, in my view, economic insecurity merits more extensive examination than Cohen gives it. The many facets of this problem are at the base of much of the bargaining and political action of unions—as well as the action of unorganized workers. The book would profit from a more intensive examination of this subject, in an analysis placed somewhere other than the very end of the text.

Finally, the political action of organized labor probably is underplayed. Unions are now being and will continue to be forced into more and more political effort to bolster the shortcomings of economic action. Further, the likely growth of unions among government employees should serve to enlarge the influence of unions in shaping public policy.

In my view, the shortcomings mentioned above are of some consequence. However, the treatment of some of the issues that I consider inadequate and the organization used by Cohen may both be acceptable to many. In any case, Cohen has offered a solid and up-to-date text to professors and students in labor survey courses.

—GLENN W. MILLER

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Ohio State University

Pride and Prejudice

The Labor Arbitration Process. By R. W. Fleming. Urbana, Ill., University of Illinois Press, 1965. 233 pp. \$5.

Labor Arbitration: A Dissenting View. By Paul R. Hays. New Haven, Conn., Yale University Press, 1966. 118 pp. \$4.50.

In the House of Arbitration there are many Mansions and points of view; and it has been commodious enough to accommodate them all.

We like to think, however, that persons of similar professional training and experience would share somewhat similar views of this "peculiar institution." These two books instruct us that this is not necessarily true. They leave us bewildered as to what occurred to make two veteran teachers of labor law, both of whom were arbitrators for many years, reach such different conclusions from like experience.

Robben Fleming is Chancellor of the Madison Campus of the University of Wisconsin and presently President of the National Academy of Arbitrators. Paul Hays, recently, was appointed Judge of the Second Circuit Court of Appeals and has also been an active arbitrator. If there is any aspect of arbitrators or arbitration on which they agree, this reviewer has not identified it.

Chancellor Fleming thinks highly of arbitration as a dispute-settling procedure. He recognizes flaws and faults. His book is an analysis of problems facing those who arbitrate and those who decide—and what might be done to eliminate, ameliorate, or manipulate those problems.

Judge Hays denounces the process and excoriates the arbitrators. He would withdraw the support of the law from grievance arbitration and require the parties to submit their disputes to a tribunal more in the nature of a small claims court or a labor court. He has nothing good to say about arbitrators, in general, and states that "only a handful" of them "have the knowledge, training, skill, and character to make . . . good arbitrators." He actually identifies only two of this "handful." This leaves a very small handful of arbitrators, indeed, to squeeze between Hays' pearly gates.

Fleming's method is to identify certain problems arising in the process of arbitrating cases, subject them to thorough and sober analysis, and to

suggest ways and means of dealing with them. Thus, he considers the problem of the cost of arbitration and the related problems of time-lag and formality of procedure. The cost problem is one that is raised perennially, most often by persons without any general factual data on the process from which generalizations might be permissible. Well, Fleming *has* the facts. It will fascinate all practitioners and arbitrators to learn, not only what arbitrators charge and earn, but what attorneys for managements and for unions in small, medium-size, and large cities are paid.

Fleming then demonstrates that many of the items of cost and inefficiency in administration of the process are due to the disinclination of the parties to take remedial action.

Two other chapters discuss "Problems of Procedural Regularity" and "Some Problems of Evidence." This material faces up squarely to recognized defects and weaknesses in the arbitration process and contains valuable advice on how to overcome them.

In his final chapters, he suggests the need of an Arbitration Conference to study the process and to make suggestions as to the best practices.

Chancellor Fleming's approach is to recognize that the world of arbitration is not perfect but that things are pretty good and can be improved. This reviewer regards his book as a distinguished contribution to the literature of the social sciences.

Judge Hays' book, on the other hand, is truly a Jeremiad. He would destroy arbitration (and arbitrators) root and branch!

Because some very few awards have been "rigged," because some very few arbitrators have failed to act in accordance with the ethical canons, he condemns the lot (excepting, as has been said above, for a "handful"). Yet, in respect of the generality of arbitrators, he loosely uses words like "incompetent," "rascals," "ambulance chasing," "fee padding," etc. If Hays' portrait of the arbitrator and his process were true, it would be difficult to understand the basis for the confidence expressed currently in arbitrators and arbitration by employers and unions. It would be difficult, also, to understand why, for so many years (on page 41 Hays says 16; on page 42 he says nearly 25), Hays was an active practitioner in a professional occupation on which he now pours out his contempt. His former colleagues, understandably, are mystified.

Judge Hays does characterize his book as "A Dissenting View"; and a dissenting view it certainly is. The number of companies and unions with arbitration clauses in their labor contracts has been estimated at 100,000 to 150,000. I have not heard of a single company or union which, having placed these provisions in their contracts, decided to eliminate them. The alternatives to arbitration, including Judge Hays', are simply frightful!

—PETER SEITZ

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Something for Everybody

Accelerating Development: The Necessity and the Means. By Lauchlin Currie. New York, McGraw-Hill Book Co., 1966. \$7.50.

All too often, an annual rise in the income of a developing nation is accepted as being good in itself. The implication is that everyone in the country is benefiting now, or will benefit soon, from the increments. Lauchlin Currie disputes this by identifying groups within the economy which do not benefit and have little hope of benefiting if the development process continues along accepted lines.

Dr. Currie is an economist with an eclectic instinct to integrate other physical and social sciences in an effort to determine how to raise the living standard among all groups in a developing country. His suggested method of achieving a more diffused distribution of national income is through the use of a "Breakthrough Plan."

The breakthrough plan would be used in place of the more commonly used capital investment plan in developing countries. In the latter method, there is usually a drain-off before benefits of the program reach that segment of the population which need it the most. These "disguised unemployed" continue to exist in a country despite increasing annual growth rates.

Rather than direct increase in the GNP by itself, the plan stresses a short-term rise in social benefits such as better housing, a diminution in the deathly effects of mass-populated agricultural competition, thus forcing the whole economy to self-generating development. That is, efforts would be directed toward the traditionally neglected parts of the economy.

The breakthrough plan contains ideas comparable with a wartime situation in more developed countries. Just as program controls are instituted during war in an industrial economy, so would central guidance be used in an undeveloped but free economy during its breakthrough period.

Accelerating Development has no appearance of being a model in the modern sense. It is more a well-documented and thought-through plea for a new concept aimed at a faster rate of development with more diffused distribution of benefits than is generally accepted today. In taking his Northern colleagues to task for past laxities, Dr. Currie first explains it conceptually and goes on to practically apply it to a particular country—Colombia.

All possible influences—social, birthrates, international, and domestic politics—are examined in this appeal for a "thoroughgoing change in the approach to the problem on the part of the United States Government and the various international agencies."

—EDWARD D. UNGER

Economic Development Administration

Turnabout's Fair Play

The Executive Role Constellation: An Analysis of Personality and Role Relations in Management. By Richard C. Hodgson, Daniel J. Levinson, Abraham Zaleznik. Boston, Mass., Harvard University, Graduate School of Business Administration, Division of Research, 1965. 509 pp. \$8.

If the management of affairs in business, government, and labor is to evolve toward higher forms of understanding and effectiveness, analytical studies of the kind found in this book are needed. This is a 2-year study of the three top men who run a mental institution. These highly trained men direct a large and complex organization. Their goals are to cure patients, train younger doctors, and do psychiatric research.

The study finds the successes and failures in achieving the goals are largely related to the personal interaction among the three executives. How they act with each other, and with their as well as others' subordinates is observed firsthand by the authors. Identifying the "good guys" and the "bad guys" and determining the usefulness of their roles are described and discussed. Descriptions of the men's interactions, given in nearly

verbatim dialogue, are intriguing and instructive. The analytical discussion, however, cries out for plain clear language.

The development of good management is a matter of ever-growing importance to modern society, and when new insights into the personal component are discovered, as here, the need is for straightforward writing, not the pretentious technical jargon used by the authors.

The work involved in this study was prodigious, but the ideas, which should be broadcast, are badly obscured by a style addressed to a small band of *cognoscenti*. It's sad to report that this study will be very nearly impenetrable to precisely those people who should read it.

—K. G. VAN AUKEN, JR.

Assistant to the Commissioner
Bureau of Labor Statistics

Latin Problems

Obstacles to Change in Latin America. Edited by Claudio Veliz. New York, Oxford University Press, 1965. 252 pp. \$6.75.

The essays included in this volume were prepared for a Conference on Obstacles to Change in Latin America which met in Chatham House in February 1965. Both the conference and these essays are part of a larger program of Latin American studies being carried out by the Royal Institute of International Affairs and St. Anthony's College, Oxford, under a Ford Foundation grant.

The book contains an introduction by the editor and 10 essays by Latin Americans prominent in the fields of economic, financial, and social development. The essays are equally divided between discussions of obstacles to all Latin America's development—resulting from traditional political, land tenure, and foreign investment patterns—and specific country situations. Separate essays appear on Chile, Brazil, Colombia, and Mexico.

In spite of overwhelming obstacles, great changes have taken place in Latin America, particularly in the last 30 to 40 years. Political reform, however, has been largely ineffective in changing traditional social, political, and administrative structures. The new nationalism which is emerging in many countries is not yet seen as a strong political force but largely as an aspiration to narrow the gap between developed and underdeveloped areas of the world.

The essay by Helio Jaguaribe de Mattos, "The Dynamics of Brazilian Nationalism," describes clearly and with great insight the vagaries of Brazilian political development, particularly in the last 30 years.

Although the nature of the obstacles to change cited by the various contributors will not surprise close followers of the Latin American scene, new insight and breadth of understanding regarding the seriousness of these obstacles in the present world situation are provided by the authors.

—ANNA-STINA ERICSON

Office of Foreign Labor and Trade
Bureau of Labor Statistics

The Great Insobriety

Skid Row as a Way of Life. By Samuel E. Wallace. Totowa, N.J., Bedminster Press, 1965. 219 pp., bibliography. \$5.50.

Long before there was a United States, the author reminds us, there was a "skid row" of sorts in England, "a shared way of life among the homeless." Skid row is a deviant community, the denizen of which "does not bathe, eat regularly, dress respectably, marry or raise children, attend school, vote, own property, or regularly live in the same place. He does little work of any kind. He does not even steal. The skid rower does nothing; he just is. He is everything that all the rest of us try not to be . . ."

Apparently the subject of the derelict, the vagrant, the bum, the tramp, the hobo has fascinated sociologists and others for well over a century in the United States—the bibliography is astoundingly extensive.

Professor Wallace's book tells us how the skid rower got to skid row and describes the kind of subculture he finds there.

As part of a research team from the Sociology Department of the University of Minnesota, Professor Wallace (now at Columbia) did his research the hard way. He lived as a casual laborer on Minneapolis' skid row for several months. The book is based on this experience plus interviews and journal entries of the entire research group.

Recruits for skid row come from three sources: workers whose jobs by their nature separate men from "established" society; welfare clients; and aficionados—those like alcoholics and petty crim-

inals who are "inherently deviant" and seek sanctuary. In all cases, there are forces thrusting the newcomers out of established society and receptive forces drawing them into the skid row subculture. There they find their place in a weird and inverted hierarchy.

Near the lowest point in that hierarchy is the "tour director." He is described thus by the author: "The tour directors have taken on the entertainment of tourists, newspaper reporters, and researchers, as their particular responsibility. [They] are often the first persons that the skid row visitors meet, and probably more than one book on skid row has been based on tales dreamed up by these grass roots, skid row folklorists." And what happens to statistics on the labor force when the census interviewer meets up with the tour director?

Dealing With Job Data

The Measurement and Interpretation of Job Vacancies. (Proceedings of a Conference Held by the National Bureau of Economic Research, 1965.) New York, Columbia University Press, 1966. 593 pp. \$12.50.

In probing the pathogenesis of unemployment and in trying to determine its clinical management, economic practitioners have engaged in extensive pulse-taking of the economy. At times, they have been reluctant to prescribe remedial measures or make prognoses, not because of undue timidity as a group, but because of difficulty in determining what constitutes a genuine state of unemployment, and what represents the various degrees and gradations of unemployment. When they did hazard diagnoses and prescribe remedies, they often availed themselves of the time-honored prerogative among doctors, economic or medical, to differ in their opinions. One of the few areas of agreement among economic generalists or unemployment specialists was the need for an improved system of unemployment statistics useful for both operative and analytical purposes.

The discussions on job vacancy data measurement and interpretation contained in this volume of proceedings of a conference sponsored by the National Bureau of Economic Research are very interesting. The dramatis personae of this impressive assemblage included Arthur F. Burns, a

former chairman of the Council of Economic Advisers and present president of the National Bureau of Economic Research, and a distinguished supporting cast of academicians and economists, representing management, labor, and government.

The controversy between advocates of the structural unemployment thesis and those upholding the insufficient demand interpretation has waxed hot and heavy over the two decades since the passage of the Fair Employment Act. Moreover, recent labor shortages, both in the United States and in Western Europe, have plagued the most advanced economies in the world. Both of these factors, along with the necessity for extensive retraining programs because of the powerful impact of vast technological changes, including automation, have called attention to the need for improved and more extensive job vacancy data.

There was general agreement among the conferees that in definitions, concepts, and data collection techniques, job vacancy data have lagged considerably in the minority of countries which have attempted to systematically gather such data. The conferees explored the many problems involved and the difficulties encountered.

The work focuses upon four broad topics: needs and uses of data for measuring correct demand for labor; utilization of job vacancy data by foreign countries; effect of experimental and exploratory job vacancy surveys in the United States; and an evaluation of proposed approaches to measuring vacancies. The description by country of job vacancy data collection systems by experts on Canada, France, Japan, the Netherlands, and Sweden, is especially instructive for American readers.

In a sense, no definitive solutions could have been anticipated by the conferees, since, in the present primitive state of job vacancy data techniques and theory, the right questions were not likely to be asked. Nevertheless, this conference represents a hopeful beginning, and further conferences in this area would certainly be fruitful once significant advances take place. For some time to come, however, this conference report will be prescribed reading for those pioneering and exploring in a hitherto much neglected and relatively untilled field.

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Site Insight

Economics of the Property Tax. By Dick Netzer. Washington, D.C., Brookings Institution, 1965. \$6.75.

This book represents a landmark in literature on property taxes. Its brisk style and orderly presentation, and the importance and variety of the issues it analyzes make it important reading not only for those people trying to reform antiquated tax structures at the local level, but also for officials struggling with the present over-burdening economic problems of the central cities. Netzer handles the theoretical arguments with virtuosity, and the statistical evidence he has marshalled to support his arguments is impressive.

The notion that property taxes are not responsive to increasing incomes and economic growth, and therefore provide an inadequate revenue base, is refuted by Netzer. His use of postwar data to disprove this thought at the same time disposes of a major argument for the so-called "Heller proposal" for grants to States from Federal general revenues. He concedes that the tax is regressive—in fact, Netzer says "the degree of regressivity is probably greater than that for any other major tax in use in the United States" (a statement which may be incorrect if payroll taxes are taken into consideration). Nevertheless, Netzer finds a surprising number of good things to say about the tax on real property, and points out that the regressive structure of benefits it finances (for example, schools) compensates to some extent for its incidence.

Many people will be especially interested in Netzer's discussion of the possible benefits to be derived by the cities from heavier taxation of site values and lower taxation on improvements—a device which has been regarded by some as the key to slum clearance and urban rejuvenation without fuss or Federal subsidy. Netzer believes that it would be feasible to value sites independently of structures and other improvements and to tax them more heavily; moreover, he says that, "it is difficult to find any flaws in the argument that this tax change will . . . have favorable resource allocation effects."

Raising the tax on the future "unearned increment" in land values would not accomplish much

since if the tax were raised only a little, the yield would be small, but if it were raised too high realization would be discouraged, according to Netzer. He overlooks the point, however, that a higher capital gains tax on unimproved land would discourage long-range investment in land for speculative gain—a trend which is reducing the supply of land available for homebuilding and other present needs.

—MARY W. SMELKER
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Education and Training

Facts on American Education. (In NEA Research Bulletin, National Education Association, Washington, May 1966, pp. 35–41. 60 cents.)

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Employee Benefits

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Fire Department Pension Profile. Washington, International Association of Fire Fighters, AFL-CIO, Department of Education and Research, 1966. 21 pp.

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The Tax Effect of Corporate Reorganizations on Pension Plans. By Robert S. Taft. (In Notre Dame Lawyer, Notre Dame, Ind., April 1966, pp. 470–486. \$2.)

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Wage Policy Under the Walsh-Healey Public Contracts Act—A Critical Review. By Carroll L. Christenson and Richard A. Myren. Bloomington, Ind., Indiana University Press, 1966. 239 pp. \$4.50.

Wage Chronology: Dan River Mills, 1943-65. By Albert A. Belman. Washington, U.S. Department of Labor, Bureau of Labor Statistics, 1966. 10 pp. (Bulletin 1495.) 15 cents, Superintendent of Documents, Washington.

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Current Labor Statistics

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¹ This table is included in the January, April, July, and October issues of the *Review*.

NOTE: With the exceptions noted, the statistical series here from the Bureau of Labor Statistics are described in *Techniques of Preparing Major BLS Statistical Series* (BLS Bulletin 1168, 1954), and cover the United States without Alaska and Hawaii.

TABLE A-2. Employees in nonagricultural establishments, by industry ¹—Continued

(In thousands)

Revised series; see box, p. 808.

Industry	1966					1965								Annual average	
	May ²	Apr. ²	Mar.	Feb.	Jan.	Dec.	Nov.	Oct.	Sept.	Aug.	July	June	May	1965	1964
Government	10,794	10,726	10,667	10,556	10,427	10,579	10,413	10,301	10,102	9,698	9,716	10,033	10,024	10,051	9,595
Federal Government ⁴	2,520	2,493	2,460	2,431	2,406	2,543	2,402	2,384	2,377	2,408	2,407	2,374	2,338	2,378	2,348
Executive.....	2,461.5	2,428.8	2,399.7	2,375.4	2,349.2	2,511.8	2,370.4	2,352.7	2,345.2	2,376.1	2,375.1	2,341.9	2,307.6	2,347.0	2,317.5
Department of Defense.....	991.9	980.0	964.8	956.2	951.6	955.7	949.4	947.3	947.3	954.9	951.3	940.8	927.9	938.8	933.7
Post Office Department.....	652.8	639.5	632.4	624.4	771.5	617.8	608.0	602.8	602.8	608.5	604.1	593.9	594.5	614.2	599.9
Other agencies.....	816.8	809.3	802.5	794.8	788.7	796.9	795.3	795.1	795.1	812.7	819.7	807.2	785.2	793.9	783.9
Legislative.....	25.4	25.4	25.2	24.9	25.0	25.6	25.6	25.8	25.8	26.2	26.4	25.9	25.0	25.4	24.5
Judicial.....	6.0	6.0	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.8	5.8	5.9	5.8	5.9	5.8
State and local government ⁵	8,274	8,233	8,207	8,125	8,021	8,036	8,011	7,917	7,725	7,290	7,309	7,659	7,686	7,673	7,248
State government.....	2,111.3	2,109.6	2,092.9	2,064.6	2,066.2	2,065.9	2,045.9	1,990.5	1,990.5	1,932.8	1,935.4	1,979.3	1,976.8	1,981.5	1,855.6
State education.....	793.7	793.2	779.5	761.9	764.0	765.9	745.3	662.5	662.5	582.8	590.5	661.9	699.6	683.1	608.9
Other state government.....	1,317.6	1,316.4	1,313.4	1,302.7	1,302.2	1,300.0	1,300.6	1,328.0	1,328.0	1,350.0	1,344.9	1,317.4	1,277.2	1,298.5	1,246.7
Local government.....	6,121.8	6,097.8	6,032.3	5,956.7	5,969.8	5,944.6	5,871.2	5,734.3	5,734.3	5,357.0	5,373.9	5,679.2	5,709.0	5,690.8	5,391.8
Local education.....	3,518.9	3,504.7	3,451.0	3,388.6	3,394.9	3,369.7	3,301.1	3,124.7	3,124.7	2,681.1	2,694.7	3,068.5	3,180.7	3,125.5	2,906.5
Other local government.....	2,602.9	2,593.1	2,581.3	2,568.1	2,574.9	2,574.9	2,570.1	2,609.6	2,609.6	2,675.9	2,679.2	2,610.7	2,528.3	2,565.3	2,485.3

¹ Beginning with the January 1966 issue, figures differ from those previously published. The industry series have been adjusted to March 1964 benchmarks (comprehensive counts of employment). For comparable back data, see *Employment and Earnings Statistics for the United States, 1909-65* (BLS Bulletin 1312-3). Statistics from April 1964 forward are subject to further revision when new benchmarks become available.

These series are based upon establishment reports which cover all full- and part-time employees in nonagricultural establishments who worked during, or received pay for any part of the pay period which includes the 12th of the month. Therefore, persons who worked in more than 1 establishment during the reporting period are counted more than once. Proprietors, self-employed persons, unpaid family workers, and domestic servants are excluded.

² Preliminary.

³ Beginning January 1965, data relate to railroads with operating revenues of \$5,000,000 or more.

⁴ Data relate to civilian employees who worked on, or received pay for the last day of the month.

⁵ State and local government data exclude, as nominal employees, elected officials of small local units and paid volunteer firemen.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics for all series except those for the Federal Government, which is prepared by the U.S. Civil Service Commission, and that for Class I railroads, which is prepared by the U.S. Interstate Commerce Commission.

TABLE A-6. Unemployment insurance and employment service program operations ¹

[All items except average benefit amounts are in thousands]

Item	1966				1965								
	Apr.	Mar.	Feb.	Jan.	Dec.	Nov.	Oct.	Sept.	Aug.	July	June	May	Apr.
Employment service: ²													
New applications for work.....	806	850	852	905	707	795	806	857	883	945	1,410	890	857
Nonfarm placements.....	533	547	460	452	462	531	611	644	603	554	610	573	555
State unemployment insurance programs:													
Initial claims ^{3,4}	693	769	985	1,399	1,285	1,004	791	760	976	1,078	870	763	956
Insured unemployment ⁵ (average weekly volume) ⁶	1,044	1,301	1,590	1,644	1,307	1,033	916	959	1,102	1,132	1,059	1,179	1,470
Rate of insured unemployment ⁷	2.3	2.9	3.6	3.7	3.0	2.3	2.0	2.2	2.5	2.6	2.4	2.7	3.4
Weeks of unemployment compensated.....	4,098	5,852	5,653	5,587	4,555	3,495	3,129	3,669	3,965	4,101	4,142	4,450	6,039
Average weekly benefit amount for total unemployment.....	\$39.38	\$39.83	\$39.66	\$39.36	\$38.81	\$38.08	\$37.32	\$37.23	\$36.58	\$36.40	\$36.07	\$36.40	\$37.16
Total benefits paid.....	\$155,494	\$225,472	\$217,171	\$212,659	\$172,110	\$132,158	\$117,784	\$138,580	\$148,021	\$149,495	\$156,276	\$165,717	\$224,897
Unemployment compensation for ex-servicemen: ^{8,9}													
Initial claims ^{3,6}	13	17	18	20	20	18	16	19	25	26	22	17	21
Insured unemployment ⁶ (average weekly volume).....	22	27	31	32	29	25	24	28	33	33	30	33	41
Weeks of unemployment compensated.....	92	121	120	126	111	94	95	120	135	119	134	142	182
Total benefits paid.....	\$3,558	\$4,620	\$4,572	\$4,816	\$4,278	\$3,654	\$3,712	\$4,637	\$5,197	\$4,461	\$5,241	\$5,339	\$6,752
Unemployment compensation for Federal civilian employees: ^{9,10}													
Initial claims ³	7	8	11	19	12	10	10	9	9	12	10	8	10
Insured unemployment ⁵ (average weekly volume).....	21	26	29	29	23	21	20	19	21	22	20	22	27
Weeks of unemployment compensated.....	92	118	109	100	94	82	74	79	87	79	91	92	119
Total benefits paid.....	\$3,718	\$4,717	\$4,319	\$3,973	\$3,740	\$3,336	\$3,141	\$3,338	\$3,691	\$3,182	\$4,008	\$3,919	\$4,815
Railroad unemployment insurance:													
Applications ¹¹	6	5	4	11	14	9	7	11	10	30	19	5	5
Insured unemployment (average weekly volume).....	23	26	28	30	28	25	22	24	22	24	21	26	33
Number of payments ¹²	53	69	54	68	66	52	50	52	52	48	53	62	81
Average amount of benefit payment ¹³	\$69.79	\$77.68	\$79.10	\$77.32	\$71.04	\$75.89	\$74.20	\$74.03	\$76.09	\$75.15	\$73.39	\$71.27	\$77.27
Total benefits paid ¹⁴	\$3,606	\$5,154	\$4,148	\$5,092	\$4,587	\$3,840	\$3,550	\$3,746	\$3,793	\$3,494	\$3,794	\$4,264	\$6,207
All programs: ¹⁵													
Insured unemployment ⁶	1,112	1,381	1,679	1,739	1,394	1,123	1,013	1,067	1,218	1,255	1,182	1,316	1,622

¹ Includes data for Puerto Rico beginning January 1961 when the Commonwealth's program became part of the Federal-State UI system.

² Includes Guam and the Virgin Islands.

³ Initial claims are notices filed by workers to indicate they are starting periods of unemployment. Excludes transitions claims under State programs.

⁴ Includes interstate claims for the Virgin Islands.

⁵ Number of workers reporting the completion of at least 1 week of unemployment.

⁶ Initial claims and State insured unemployment include data under the program for Puerto Rican sugarcane workers.

⁷ The rate is the number of insured unemployed expressed as a percent of the average covered employment in a 12-month period.

⁸ Excludes data on claims and payments made jointly with other programs.

⁹ Includes the Virgin Islands.

¹⁰ Excludes data on claims and payments made jointly with State programs.

¹¹ An application for benefits is filed by a railroad worker at the beginning of his first period of unemployment in a benefit year; no application is required for subsequent periods in the same year.

¹² Payments are for unemployment in 14-day registration periods.

¹³ The average amount is an average for all compensable periods, not adjusted for recovery of overpayments or settlement of underpayments.

¹⁴ Adjusted for recovery of overpayments and settlement of underpayments.

¹⁵ Represents an unduplicated count of insured unemployment under the State, Ex-servicemen and UCFE programs and the Railroad Unemployment Insurance Act.

SOURCE: U.S. Department of Labor, Bureau of Employment Security for all items except railroad unemployment insurance which is prepared by the U.S. Railroad Retirement Board.

TABLE B-1. Labor turnover rates, by major industry group¹—Continued

[Per 100 employees]

Revised series; see box, p. 808.

Major industry group	1966				1965								Annual average		
	Apr. ²	Mar.	Feb.	Jan.	Dec.	Nov.	Oct.	Sept.	Aug.	July	June	May	Apr.	1965	1964
	Separations: Layoffs														
Manufacturing:															
Actual.....	0.9	1.0	1.0	1.3	1.8	1.5	1.4	1.3	1.6	1.8	1.1	1.1	1.3	1.4	1.7
Seasonally adjusted.....	1.0	1.1	1.1	1.1	1.3	1.3	1.3	1.3	1.7	1.6	1.4	1.4	1.6	1.4	1.8
Durable goods.....	.6	.7	.9	1.1	1.5	1.2	1.2	1.0	1.8	1.8	1.0	.9	.9	1.2	1.5
Ordnance and accessories.....	.5	.4	.3	.4	.3	.5	.6	0.4	.6	.8	.7	.8	1.1	.8	1.8
Lumber and wood products, except furniture.....	1.1	1.8	1.3	2.5	3.3	2.1	1.2	1.0	1.0	1.2	.8	.8	1.3	1.7	1.9
Furniture and fixtures.....	.6	.6	.8	.9	1.0	.7	.9	.7	.7	1.7	1.1	.8	1.0	1.0	1.3
Stone, clay, and glass products.....	.8	.8	1.4	2.1	2.4	1.8	1.4	1.2	.9	1.1	.9	1.1	1.1	1.5	1.7
Primary metal industries.....	.2	.4	.4	.7	1.3	1.8	2.6	1.7	.9	.8	.5	.4	.4	1.0	.8
Fabricated metal products.....	.7	1.1	1.1	1.3	1.5	1.2	1.4	1.2	1.8	1.9	1.3	1.2	1.1	1.4	1.8
Machinery.....	.3	.4	.3	.4	.4	.5	.7	.8	1.0	1.1	.6	.5	.5	.6	.8
Electrical equipment and supplies.....	.4	.4	.4	.5	.6	.5	.4	.6	.7	1.2	.7	.7	.9	.8	1.2
Transportation equipment.....	1.1	1.2	2.0	1.6	1.4	1.4	1.4	1.3	6.1	4.2	1.5	1.3	1.4	2.1	2.3
Instruments and related products.....	.3	.4	.3	.4	.3	.3	.4	.4	.6	1.2	.6	.5	.6	.6	.9
Miscellaneous manufacturing industries.....	1.2	.9	1.3	3.0	8.5	3.3	1.2	.9	1.1	2.6	1.9	1.7	1.7	2.4	2.9
Nondurable goods.....	1.3	1.3	1.1	1.7	2.3	1.8	1.7	1.6	1.3	1.9	1.3	1.5	1.7	1.6	1.9
Food and kindred products.....	2.1	2.5	2.4	3.1	4.5	3.9	3.9	3.5	2.3	2.5	2.1	2.2	2.4	3.0	3.4
Tobacco manufactures.....	4.1	3.8	3.6	7.0	5.5	8.9	6.0	2.3	4.8	3.9	1.0	2.5	3.1	4.3	4.9
Textile mill products.....	.4	.5	.6	.9	1.3	.8	.5	.6	.6	1.1	.6	.6	.7	.8	1.1
Apparel and related products.....	2.7	2.0	1.3	2.1	3.3	2.1	1.9	1.8	1.7	4.1	2.2	2.6	3.6	2.4	2.6
Paper and allied products.....	.5	.5	.5	.8	1.0	.7	.6	.7	.9	.8	.5	.6	.8	.8	.9
Printing, publishing, and allied industries.....	.6	.6	.6	.9	1.3	.9	.8	.8	.9	.7	.7	.8	.8	.9	1.0
Chemicals and allied products.....	.4	.6	.4	.6	.7	.6	.6	.5	.5	.6	.9	1.0	.6	.7	.8
Petroleum refining and related industries.....	.3	.5	.5	.8	1.0	1.0	.7	.8	.5	.5	.5	.3	.5	.6	.7
Rubber and miscellaneous plastic products.....	.6	.7	.8	.9	1.3	1.0	1.0	1.1	1.1	1.9	1.1	1.1	1.2	1.2	1.5
Leather and leather products.....	1.5	1.3	.9	1.9	2.2	.9	1.0	1.4	1.3	2.5	1.0	1.3	2.2	1.5	1.8
Nonmanufacturing:															
Metal mining.....	.3	.9	.4	.5	1.3	1.2	.8	.2	.5	1.4	.5	.1	.6	.7	.7
Coal mining.....	1.6	.6	.6	.4	.8	1.0	.5	.4	.9	.6	.6	1.4	.9	.9	.9

¹ For comparability of data with those published in issues prior to January 1966, see footnote 1, table A-2.

Month-to-month changes in total employment in manufacturing and nonmanufacturing industries as indicated by labor turnover rates are not comparable with the changes shown by the Bureau's employment series for the following reasons: (1) the labor turnover series measures changes

during the calendar month, while the employment series measures changes from midmonth to midmonth and (2) the turnover series excludes personnel changes caused by strikes, but the employment series reflects the influence of such stoppages.

² Preliminary.

TABLE C-1. Gross hours and earnings of production workers,¹ by industry—Continued

Revised series; see box, p. 808.

Industry	1966					1965								Annual average	
	May ²	Apr. ²	Mar.	Feb.	Jan.	Dec.	Nov.	Oct.	Sept.	Aug.	July	June	May	1965	1964
Average weekly earnings															
Services and miscellaneous:															
Hotels and lodging places:															
Hotels, tourist courts, and motels ⁶		\$52.45	\$51.99	\$52.08	\$51.99	\$52.36	\$51.99	\$52.30	\$51.65	\$51.74	\$52.13	\$50.90	\$51.65	\$51.17	\$49.54
Personal services:															
Laundries, cleaning and dyeing plants ⁸		60.04	59.82	59.06	59.44	59.68	58.83	60.14	59.06	58.67	59.28	59.58	60.19	58.98	55.73
Motion pictures:															
Motion picture filming and distributing.....		152.00	150.00	152.74	157.56	160.37	155.63	161.18	152.88	157.58	157.12	152.36	146.20	151.64	136.97
Average weekly hours															
Services and miscellaneous:															
Hotels and lodging places:															
Hotels, tourist courts, and motels ⁶		37.2	37.4	37.2	37.4	37.4	37.4	37.9	37.7	38.9	38.9	37.7	37.7	37.9	38.4
Personal services:															
Laundries, cleaning and dyeing plants ⁸		38.0	38.1	38.1	38.1	38.5	38.2	38.8	38.6	38.6	39.0	39.2	39.6	38.8	38.7
Motion pictures:															
Motion picture filming and distributing.....		40.0	40.0	40.3	40.4	40.6	39.4	40.6	39.2	40.2	40.6	40.2	39.3	39.8	39.7
Average hourly earnings															
Services and miscellaneous:															
Hotels and lodging places:															
Hotels, tourist courts, and motels ⁶		\$1.41	\$1.39	\$1.40	\$1.39	\$1.40	\$1.39	\$1.38	\$1.37	\$1.33	\$1.34	\$1.35	\$1.37	\$1.35	\$1.29
Personal services:															
Laundries, cleaning and dyeing plants ⁸		1.58	1.57	1.55	1.56	1.55	1.54	1.55	1.53	1.52	1.52	1.52	1.52	1.52	1.44
Motion pictures:															
Motion picture filming and distributing.....		3.80	3.75	3.79	3.90	3.95	3.95	3.97	3.90	3.92	3.87	3.79	3.72	3.81	3.45

¹ For comparability of data with those published in issues prior to January 1966, see footnote 1, table A-2. For employees covered, see footnote 1, table A-3.

² Preliminary.

³ Based upon monthly data summarized in the M-300 report by the Interstate Commerce Commission, which relate to all employees who received pay during the month, except executives, officials, and staff assistants (ICC Group I). Beginning January 1965, data relate to railroads with operating revenues of \$5,000,000 or more.

⁴ Data relate to nonsupervisory employees except messengers.

⁵ Beginning January 1964, data include eating and drinking places.

⁶ Money payments only, tips not included.

⁷ Beginning January 1964, data on non-office salesmen excluded from all series in this division.

⁸ Beginning January 1964, data relate to nonsupervisory workers and are not comparable with production worker levels of prior years.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics for all series except that for Class I railroads. (See footnote 3.)

TABLE D-2. Consumer Price Index¹—U.S. city average for urban wage earners and clerical workers, selected groups, subgroups, and special groups of items, seasonally adjusted²

[1957-59=100 unless otherwise specified]

Group	1966					1965								
	May	Apr.	Mar.	Feb.	Jan.	Dec.	Nov.	Oct.	Sept.	Aug.	July	June	May	
Food.....	114.0	114.3	114.2	113.1	111.6	110.8	110.0	109.7	109.4	109.8	109.8	110.2	108.3	
Food at home.....	112.6	113.2	112.9	111.8	110.0	109.2	108.2	107.8	107.7	108.2	108.3	108.9	106.7	
Meats, poultry, and fish.....	116.0	117.1	117.7	115.7	112.9	110.3	108.1	107.6	107.5	108.3	109.0	108.0	102.1	
Dairy products.....	110.2	109.4	108.0	106.7	105.9	105.4	105.2	104.9	105.1	105.1	104.8	105.1	105.0	
Fruits and vegetables.....	115.3	117.7	117.4	117.7	113.9	114.1	114.4	113.3	112.6	113.8	116.5	119.8	117.4	
Other foods at home.....	104.0	104.5	104.4	103.3	102.1	103.3	102.1	101.7	101.6	102.1	102.0	102.1	102.0	
Fuel and utilities ³	108.5	108.2	106.3	106.3	106.0	107.7	107.7	107.7	107.6	105.8	107.1	107.3	107.4	
Fuel oil and coal ⁴	109.5	107.7	106.9	106.5	106.6	107.3	106.6	107.1	105.7	105.6	105.4	105.5	106.1	
Apparel and upkeep ⁵	109.4	108.8	108.5	108.0	107.8	107.6	107.5	107.2	107.0	106.8	106.5	107.0	106.9	
Men's and boys'.....	109.9	109.7	109.4	109.0	109.0	108.8	108.5	108.3	107.7	107.5	107.1	107.2	107.0	
Women's and girls'.....	105.4	104.5	104.4	103.8	103.6	103.3	103.4	102.9	103.3	103.3	103.0	103.8	103.8	
Footwear.....	119.0	118.1	117.0	116.3	115.6	115.4	114.9	114.3	113.4	112.9	112.3	112.4	112.2	
Transportation.....	112.0	112.3	111.8	111.4	110.8	111.3	110.9	110.8	111.2	111.0	111.4	111.3	111.4	
Private.....	110.5	110.8	110.5	110.0	109.2	109.8	109.4	109.2	109.7	109.5	109.9	109.8	110.0	
Special groups:														
Commodities ⁶	109.0	109.0	108.6	108.1	107.5	107.4	107.0	106.7	106.5	106.6	106.7	106.8	106.4	
Nondurables.....	111.6	111.6	111.4	110.7	109.8	109.5	108.9	108.5	108.5	108.4	108.3	108.6	107.8	
Durables ⁷	102.5	102.3	102.1	101.9	101.9	102.2	102.0	101.9	101.9	102.0	102.4	102.6	102.9	
Commodities less food ⁶	106.4	106.0	105.7	105.6	105.4	105.4	105.2	105.0	104.9	105.0	104.8	105.2	105.3	
Nondurables less food.....	109.4	109.1	108.8	108.6	108.1	108.1	108.0	107.6	107.5	107.3	107.1	107.4	107.3	
Apparel commodities.....	108.4	107.8	107.4	107.0	106.8	106.5	106.3	105.9	106.0	105.8	105.2	106.1	106.0	
Apparel less footwear.....	106.3	105.9	105.6	105.2	104.9	104.8	104.8	104.5	104.5	104.3	103.9	104.9	104.8	
New cars.....	97.4	97.4	96.9	96.8	96.6	97.6	96.9	96.8	98.4	98.4	98.4	98.0	100.6	
Used cars.....	117.6	118.2	117.6	117.3	116.5	118.4	117.4	118.0	117.5	119.0	121.3	121.2	121.2	
Housefurnishings.....	98.4	98.0	97.8	97.9	97.9	97.8	97.5	97.6	97.5	97.6	97.7	98.0	98.2	

¹ See footnote 1, table D-1.² Beginning January 1966, seasonally adjusted national indexes were computed for selected groups, subgroups, and special groups where there is a significant seasonal pattern of price change. Previously published indexes for the year 1965 have been adjusted. No seasonally adjusted indexes will be shown for any of the individual metropolitan areas for which separate indexes are published. Previously, the Bureau of Labor Statistics has made available only seasonal factors, rather than seasonally adjusted indexes (e.g., Department of Labor Bulletin 1366, *Seasonal Factors, Consumer Price Index: Selected Series*). The factors currently used were derived by the BLS

Seasonal Factor Method using data for 1956-65. These factors will be updated at the end of each calendar year, but the revised factors will be used only for future seasonal adjustments and not for revision of previously published indexes. A detailed description of the BLS Seasonal Factor Method is available upon request.

³ See footnote 5, table D-1.⁴ See footnote 6, table D-1.⁵ See footnote 8, table D-1.⁶ See footnote 10, table D-1.⁷ See footnote 12, table D-1.

E.—Work Stoppages

TABLE E-1. Work stoppages resulting from labor-management disputes ¹

Month and year	Number of stoppages		Workers involved in stoppages		Man-days idle during month or year	
	Beginning in month or year	In effect during month	Beginning in month or year	In effect during month	Number	Percent of estimated working time
1935-39 (average).....	2,862	-----	1,130,000	-----	16,900,000	0.27
1947-49 (average).....	3,573	-----	2,380,000	-----	39,700,000	.46
1945.....	4,750	-----	3,470,000	-----	38,000,000	.47
1946.....	4,985	-----	4,600,000	-----	116,000,000	1.43
1947.....	3,693	-----	2,170,000	-----	34,600,000	.41
1948.....	3,419	-----	1,960,000	-----	34,100,000	.37
1949.....	3,606	-----	3,030,000	-----	50,500,000	.59
1950.....	4,843	-----	2,410,000	-----	38,800,000	.44
1951.....	4,737	-----	2,220,000	-----	22,900,000	.23
1952.....	5,117	-----	3,540,000	-----	59,100,000	.57
1953.....	5,091	-----	2,400,000	-----	28,300,000	.26
1954.....	3,468	-----	1,530,000	-----	22,600,000	.21
1955.....	4,320	-----	2,650,000	-----	28,200,000	.26
1956.....	3,825	-----	1,900,000	-----	33,100,000	.29
1957.....	3,673	-----	1,390,000	-----	16,500,000	.14
1958.....	3,694	-----	2,060,000	-----	23,900,000	.22
1959.....	3,708	-----	1,880,000	-----	69,000,000	.61
1960.....	3,333	-----	1,320,000	-----	19,100,000	.17
1961.....	3,367	-----	1,450,000	-----	16,300,000	.14
1962.....	3,614	-----	1,230,000	-----	18,600,000	.16
1963.....	3,362	-----	941,000	-----	16,100,000	.13
1964.....	3,655	-----	1,640,000	-----	22,900,000	.18
January.....	211	375	53,300	91,400	898,000	.09
February.....	233	375	80,600	116,000	1,040,000	.11
March.....	241	399	79,300	123,000	816,000	.08
April.....	364	529	140,000	187,000	1,170,000	.11
May.....	442	651	192,000	249,000	2,400,000	.24
June.....	376	586	124,000	222,000	1,900,000	.18
July.....	416	639	126,000	195,000	1,740,000	.15
August.....	306	556	73,100	133,000	1,200,000	.12
September.....	336	574	374,000	432,000	2,390,000	.23
October.....	346	584	214,000	549,000	6,590,000	.61
November.....	238	469	141,000	274,000	1,730,000	.17
December.....	146	346	42,000	149,000	1,060,000	.10
1965: January.....	244	404	98,800	183,000	1,740,000	.18
February.....	208	393	45,100	149,000	1,440,000	.15
March.....	329	511	180,000	274,000	1,770,000	.16
April.....	390	603	141,000	194,000	1,840,000	.17
May.....	450	669	127,000	201,000	1,850,000	.19
June.....	425	677	268,000	354,000	2,590,000	.23
July.....	416	702	156,000	334,000	3,670,000	.34
August.....	388	685	109,000	229,000	2,230,000	.20
September.....	345	631	155,000	250,000	2,110,000	.20
October.....	321	570	101,000	209,000	1,770,000	.16
November.....	289	505	140,000	192,000	1,380,000	.13
December.....	158	371	24,300	75,800	907,000	.08
1966: January ²	205	335	101,000	127,000	1,000,000	.09
February ²	240	380	107,000	142,000	865,000	.09
March ²	310	450	198,000	236,000	1,350,000	.11
April ²	350	500	228,000	379,000	2,450,000	.23
May ²	480	640	208,000	294,000	2,870,000	.26

¹ The data include all known strikes or lockouts involving 6 workers or more and lasting a full day or shift or longer. Figures on workers involved and man-days idle cover all workers made idle for as long as 1 shift in establishments directly involved in a stoppage. They do not measure the indirect

or secondary effect on other establishments or industries whose employees are made idle as a result of material or service shortages.

² Preliminary.

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