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ON

"How can Labor-Management
Relations be Improved?"

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Moderator Brinkley: The state of Labor-Management Relations is a thing always under discussion, public and private, and it is either in a good state or a bad state, depending on personal view. But all sides will agree the relationships between the worker and employer can and should be improved.

I think all of us here will agree on that, so today on "America United", we will have a discussion of how Labor and Management can get along better, a discussion by four Washington observers of diverse views, a Member of the Senate and spokesmen for groups representing business, labor and agriculture.

The question, specifically, is: How can labor-management relations be improved?

To start getting some answers I am going to call each of our four guests in turn for a brief statement, first of all, giving us the answer to the question: How can labor-management relations be improved?

First of all, Mr. Pearl, of the American Federation of Labor.
Mr. Pearl.

MR. PEARL: There is no secret recipe or magic formula, Mr. Brinkley, by which Labor-Management relations can be improved. But from history and experience we have found that the fairest and the most democratic and the most practical method of improving labor-management relations is through collective bargaining. But that entails, first, the full acceptance of collective bargaining by both sides and the sincere practice of collective bargaining.

You cannot get a good bargain, a fair bargain by those who sit down across the table from each other with mayhem in their minds and murder in their hearts. People have to be willing to get together and deal together in order to practice collective bargaining, but where it has been practiced sincerely, it has never failed.

Moderator Brinkley: Thank you.

Now, Mr. Barton, of the Chamber of Commerce of the United States.

MR. BARTON: Mr. Brinkley, I would like to say that we are confronting problems of great magnitude in labor-management relations today. The problem of pensions alone, for instance, is staggering. It has even the wisest experts guessing as to what new developments there will be in the field. Moreover, it takes in our Social Security Laws, and this fact makes the situation more uncertain, because nobody knows just what Congress will do to Social Security. Instability of this issue, in turn, makes stable labor relations difficult for the time being, and then the situation in coal has created tension and confusion.

Unfortunately I fear the public pretty much judges labor-

relations by what it reads about John L. Lewis and his activities. What I am trying to say is that the pension issue and John L. Lewis present a rather unfortunate back-ground against which to judge management and labor relations. Even so, I will say I think we are making progress. There are more collective bargaining agreements today than ever before. I subscribe fully to what Mr. Pearl has said, that collective bargaining, sincerely practiced, is one of the best ways to improve labor-management relations. So I think, as we go ahead in 1950, the outlook is quite hopeful.

Moderator Brinkley: Thank you, Mr. Barton. Now, Senator Humphrey.

SENATOR HUMPHREY: I wish to join with the statements that already have been made, in reference to the problems and the immensity of the problems that confront the American economy in the field of labor-management relations.

I have one or two broad suggestions that might be helpful in our understanding of the nature of these problems. First of all, I believe that it is incumbent upon every intelligent and informed American citizen to have a more detailed knowledge of labor history. Unfortunately the youth of America in the public and private school systems of this country has never been given the true picture of the development and the growth of the labor movement of this nation and the contribution of the labor movement to the economic, political and social life of the country. I believe that that is a legitimate part of education.

I would like also to emphasize that the public attitude about labor-management relations can do a great deal to improve them. If it will get away from the alarmist point of view, from the constant feeling of crisis and emergency, and start to view labor relations as they truly are, then possibly we will have some sort of a conciliatory effect.

I would like to emphasize, then, the use of conciliation and mediation. The full answer, as Mr. Pearl has said, is collective bargaining.

I would like further to emphasize the importance of labor extension education, the kind of adult education that is needed in the labor movement as well as in management.

Finally, I would like to emphasize that community participation on the part of labor and management groups helps build this social environment and the friendly kind of environment in which labor-management relations can be healthy and can continue today to be improved. I think those are some of the observations that would be helpful in improving our labor relations.

Moderator Brinkley: Thank you, Senator Humphrey. Now, Mr. Sanders, of the National Grange.

MR. SANDERS: Mr. Brinkley, I think I can agree with the statements that have been made by my three colleagues here. I would like to call attention to three methods, it seems to me, that we might use in improving the labor-management relations.

It seems to me one method is by defining and by agreeing to certain fundamental rights that both labor and management have in the process of collective bargaining. If we can agree to more of this, it seems to me it lays the foundation for sensible, sound, peaceable constructive collective bargaining and better relationships.

I think we should undertake to evolve machinery where both labor and management can safely and satisfactorily sit down for a frank, honest and above-board bargaining.

All too often the present collective bargaining is a sort of a race between stalling, delay, before either parties have showed their hand.

Then I think the third way would be by working out divisions that would free the wage dispute, the level of wages, from a great deal of bickering which, I think, it can be freed from by some method of automatic adjustment of wages to changes in price and changes in the productivity of labor.

Moderator Brinkley: Thank you, Mr. Sanders.

MR. PEARL: Mr. Sanders, there you go, trying to suggest a pat formula to fit all situations. It is impossible to do that in labor-management relations, which really are human relations. You cannot set up a formula by which any human being should regulate his life, because you have to leave room for free enterprise. You cannot set up a formula and say "Wages will go up when these prices go up by this index", which may or may not be accurate.

MR. SANDERS: Mr. Pearl, may I ask you: Do you think that the parity formula in agriculture interferes with free enterprise?

MR. PEARL: I am sorry that I am no expert in farming and cannot give you an answer.

MR. SANDERS: We will tell you it does not.

MR. PEARL: Are you for the parity formula?

MR. SANDERS: I am certainly for parity prices to agriculture, that go up and down with general price levels.

MR. PEARL: I will say this to you, Mr. Sanders, that labor is for anything that is going to help the farmers, and we hope the farmers will have the same sort of attitude toward labor.

Moderator Brinkley: Before we go any further in our discussion of our question "How to improve labor-management relations?" let us see if we can find out just how good or bad they

are. *Maybe we will or won't agree on that. Senator Humphrey, can you tell us something about that?*

SENATOR HUMPHREY: I want to say that I do not think they are half as bad as they are painted to be. Unfortunately, for American public opinion, we are becoming a people that has to be alarmed all the time.

We have constantly got to have another emergency, as I said a while ago, or another crisis, to seem to get the headlines in the local newspaper, so that we can have the proper amount of distribution or circulation of the local press. That is not to condemn the press. I imagine that somehow or another we have gotten too used to high-pressure living.

Let me point this out: Some people are of the opinion that labor-management relations must be very bad, because they read about John L. Lewis, or they read about some big strike here or there, and that indicates the whole system of labor-management bargaining has literally broken down. That obviously is not true. A nation that can have 60,000,000 people gainfully employed, and a nation that can produce approximately \$225,-000,000,000 of goods and services is a nation that is at work.

Now, 15,000,000 of these 60,000,000 gainfully employed are people in trade unions. They are what we call organized labor, and the number of people that are out on strike and the number of man-hours lost in comparison to the number of man-hours worked is very small proportion. In fact, Ivory Soap, you know, claims to have the finest record of purity, which is 99-44/100ths per cent pure. American labor-management relations have practically equalled that outstanding record for purity of accomplishment and of settling of disputes.

So, I would like to get this discussion not around conditions which are so unusual, but that which is usual. In fact, the institution of labor-management relations in America is much more secure than even the institution of marriage or the institution of the home. I think that if we are going to be alarmed, we ought to be alarmed about the sanctity of the marriage ceremony, the sanctity of the home, because in proportion to the number of marriages, we have more divorces than we have labor disputes in proportion to the number of bargains concluded peaceably.

Moderator Brinkley: Mr. Barton, do those statistics sound good to you?

MR. BARTON: I am glad to hear the Senator say what he did. I, too, think that management-labor relations are not nearly as bad as we are sometimes led to believe they are by what we read in the newspapers.

After all, strikes are news. Peaceful management relations

are not news. I believe it was the Director of Federal Mediation and Conciliation, Cyrus Ching, who said not long ago that there are probably over 100,000 collective bargaining contracts in existence of the United States. I think that is remarkable. The fact is that most of those are negotiated peacefully, and furthermore, as a general thing, the employer and the labor union involved live peacefully under them during the period of the contract. Unfortunately, there are certain forces at work in the country that are always emphasizing what we might call plans against plans. I think that is too bad, because we have much more in common than we have things that hold us apart. We should remember that we sink or swim together, and that is true of management and it is true of labor.

MR. PEARL: I am very glad to hear you say that you do not believe in people taking advantage of upset situations in the labor-management picture to push selfish ends, because something like that, it seems to me, was done less than three years ago when Congress was high-pressured into adopting the Taft-Hartley Act.

While we are discussing this subject of labor-management relations, I think I should say as a representative of the American Federation of Labor, that we do not believe it possible to secure good, constructive, lasting, harmonious and cooperative labor-management relations in this country as long as there is a law on the Federal books which makes it unfair for one of the parties in the case to get a good bargain. We think that the Taft-Hartley Act is rigged against labor, and we do not see how the Government can take sides in any controversy between labor and management, and favor one side as against the other, and still be able to maintain good relations.

Moderator Brinkley: Mr. Sanders, do you want to comment?

MR. SANDERS: Mr. Brinkley, I would like to discuss in detail the reference that Mr. Pearl has made to the high-pressure results that came from the passage of the Taft-Hartley law, but I am going to refrain from doing that to bring out another point.

It seems to me that good labor-management relations are all that my three colleagues have said, namely, there is a tremendous volume of goodwill, of constructive democracy, in this great national bargaining that is struck, and we do see the critical points, the so-called undesirable points, in this thing, but it seems to me that good management-labor relations has a very much deeper purpose than that would indicate for democracy.

We need a good management relation that during a depression, when we approach a depression, that both labor and man-

agement will take a constructive view and make the necessary adjustments between them that will adjust their production to a level that will keep us on an even keel, and that is where we are missing in good management and labor relations.

Moderator Brinkley: Mr. Barton, do you want to comment while we are on the Taft-Hartley Act?

MR. BARTON: I will say this: I am sure that what Mr. Pearl says we should recognize, works both ways. Back in 1935 the Wagner Act was passed. Management felt that the Wagner Act rigged things against management. That was on the books twelve years before it was changed. Afterwards it was made to change things for the better with the passage of the Labor-Management Relations Act in 1947.

We were alarmed by the fact that criticism of this law began almost before the ink was dry. I think we should give it a fair trial. If, after a fair trial and a while longer, we find there are really things about it that need changing or improving, why, I am sure progressive representatives of management would at that time be willing to sit down and to talk about it.

I will say this about any law we have on the books, however. I think along with the desirability of having a good law, we certainly must have competent people and fair people administering the law.

I will say this because I think everybody is aware there is a vacancy right now on the National Labor Relations Board. I think that whoever is appointed to that ought to be a man who, if he happens to be cleared with management, would be cleared with labor also, or if he is cleared with labor, he ought to be cleared with management. He certainly ought to be a fair-minded person, because that is a quasi-judicial agency of great importance today.

SENATOR HUMPHREY: I want to concur with Mr. Barton's point of view about the necessity of a fair-minded person being appointed to the National Labor Relations Board. You are absolutely right. It is a quasi-judicial body, and as such we need men on of the very highest integrity and capability.

I would like to go back for a moment, however, to the Wagner Act, and then say a word or two about the Taft-Hartley Act. I do not have time to discuss all of this in detail.

The fact of the matter is, however, that all of the reports pertaining to the Wagner Act up as late as 1946 indicated that the Wagner Act was doing a splendid job as a piece of legislation, to set the rules between labor and management, up to the bargaining table. In other words, the Wagner Act said the job of Government is to see to it that labor and management do

bargain and the Wagner Act stopped at the conference door, at the conference room door.

The Taft-Hartley Act walks inside the door, gets around the table, Mr. Government gets around and says: "You bargain, all right. You can't bargain on this, you can't bargain on that, and on this you can only bargain so far, and on this item you can only bargain half-way."

I want to just conclude the statement about the Wagner Act and the Taft-Hartley Act by saying this: That I was not particularly moved, as a member of the Senate Labor and Welfare Committee, by the testimony from the proponents of the one side or the other. Let me be more specific.

My friends from Labor came in there with their point of view. My friends from Business came in there with their point of view.

I was more moved, however, by the testimony of men like William Leiserson, former head of the National Mediation Board, one of the Labor Statesmen of America; William H. Davis, the former head of the National War Labor Board, and Dr. Nathan Finesinger, one of the ten members of the University of Wisconsin Law School Faculty, and an able Labor Arbitrator and Negotiator.

I took these three men, representing three different areas of the United States, with years and years of experience in labor-management relations, and I listened with great attention to their testimony.

What was the sum and substance of their testimony?

Number 1: The Taft-Hartley Act had aggravated the problems of labor-management relations.

Number 2: The Taft-Hartley Act was weighted on the side of management, and may I say on the side of management which had not been friendly toward labor.

May I also make this statement: Much of management is very friendly in its relations with labor. The Taft-Hartley Act put a premium upon the so-called anti-labor kind of management.

Finally, on the Taft-Hartley Act, instead of improving the labor-management relationship, and instead of settling the strikes, instead of providing machinery that would handle national emergencies, actually the strike picture has not become any better. In some instances it has become worse, and in so far as national emergencies are concerned, the Taft-Hartley Act has been used four times in national emergencies, and in all four times it has failed.

Moderator Brinkley: Mr. Pearl wants to say something.

MR. PEARL: We do not want to get too involved in a discussion of the Taft-Hartley Act. The only reason I mentioned

it was to point out that unless the Government adopts a fair and neutral position, it complicates collective bargaining, and makes it more difficult to operate it successfully.

I think that if we are going into this basic question of how we can improve labor-management relations, we ought to adopt the tactics that the National Planning Association took. It was a very novel attitude. Instead of trying to find out what the causes of industrial disputes were, they started an investigation into the causes of industrial peace. They tried to find out where, in what industries, labor-management relations had been good and harmonious and constructive and cooperative, and to find out why and to see why other industries could not follow the same pattern.

They discovered a great many instances of individual companies and whole industries which have not had a strike in ten years, fifteen years, twenty years, fifty years, and sixty years.

I can mention some. The pottery industry—they have not had a strike in years.

The glass bottle-blowing industry—they meet once a year, labor and management together, decide wage scales, and the new contract for the next year. They have not had a strike in the memory of the oldest union member.

And in the garment industry, as you remember, Senator, and I am sure you do, Mr. Barton, that used to be one of the hotbeds of industrial unrest—The Ladies' Garment Industry in New York. Now they have a perfect setup where they have an impartial umpire for the entire industry, who decides matters that come up in dispute under contracts.

It seems to me that if labor-management can get together and rely on each other's fairness and begin to understand each other's point of view, then it becomes possible to adopt such techniques as voluntary arbitration. So that when a dispute arises and before it arises, both parties agree that they will submit it to the independent people to settle it in a way that is fair to both. Then if they still think the verdict is unfair, they can renew their complaint later and get it remedied. That is, to me, the secret of successful labor-management relations.

Moderator Brinkley: Mr. Barton?

MR. BARTON: I agree with most of what Mr. Pearl has just said. I am sorry we are spending so much time on Taft-Hartley. I think other things are important, too.

I would like to point out, too, that in the first year of Taft-Hartley, 1946, we had the worst year of strikes we ever had in the U. S. History.

I would like to point out another thing, that is, that the situation today is very different from what it was when the

Wagner Act was passed. We now have great and powerful unions. I know an employer a few years ago under the Wagner Act who just begged the powerful union to bargain with him. There was not a thing under the Wagner Act that required a union to bargain with him. There he was helpless.

I think it is high time we were talking less about rights, and more about what the responsibilities of the two parties are.

I would like to call attention to a very commendable thing that came to my attention a few days ago.

There was an A. F. of L. union, Mr. Pearl, that wanted a wage increase. The employer said he could not afford it. They sat down with him and they decided that actually he could not afford it. There was complete fair dealing on both sides. They said, "All right; we will go along with you another year at the same wage rate."

I think we have got to have more of that kind of statesmanship, and more of that kind of responsibility in the labor-management picture.

Moderator Brinkley: Senator Humphrey, and then Mr. Sanders.

SENATOR HUMPHREY: May I make this further comment in reference to the very constructive attitude taken on this broadcast.

What we need, gentlemen, is a perspective of time, and I am emphasizing the time element. I want to point out that only twelve years ago in the United States, thirteen years ago in the United States, a great investigation was carried on by the LaFollette Civil Liberties Committee of the United States.

Moderator Brinkley: I remember that.

SENATOR HUMPHREY: The report of the LaFollette Civil Liberties Committee, consisting of some ten volumes of Senate documents, is resplendent with what I call atrocities in the field of labor-management relationships. Private armies, tear-gas, guns, clubs, and all kinds of goon squads and what-have-you!

May I point out that that was the background of the early days prior to the Wagner Labor Relations Act, and it was the background of a couple of years after the Wagner Act.

We come up to today and what do we find? We find labor has matured. Its leadership is better than it has ever been before.

We find American labor-management, and it is not a one-sided street, because more American management today is willing to sit down and bargain. More American management today recognizes the justice of such claims as pensions and welfare funds, recognizes that the labor organization man must be a purchaser, and must have a reasonable share of the profits of

industry. I think there are many things to be highly or very happy about.

Moderator Brinkley: Mr. Sanders?

MR. SANDERS: Senator Humphrey, I agree with what you said. It seems to me that we have made great progress, but it does seem to me that we do need laws, and general rules that are fair to both labor, to management and to the general public.

We must remember that in all of these relations between management and labor, there is a silent partner. There is the farm interest. There is the general public, that has as much vital interest in a constructive solution of these problems as there are the two parties in conflict.

I think where we have missed the boat is in not realizing that these two parties are not the major and the sole ones involved.

MR. PEARL: I am sure organized labor agrees with that point of view as long as you say the law should be fair to both. We do not believe the present law is.

I would like to say further, in regard to what Senator Humphrey said a minute ago, that the very background of violence and oppression he mentioned is the reason for the present dispute in the coal industry, because, if it had not been for those conditions, continuing almost to the present day, there would not be that feeling of bitterness and hate between parties on both sides.

The reason for the failure to reach regular agreements and to keep the peace in the coal industry has been that background of violence and hate.

Moderator Brinkley: Mr. Barton?

MR. BARTON: I would like to say, however, that we do not think we should attribute wrong things that have been done by some of management to all of management any more than we should attribute other bad things that have been done by a few racketeers in the labor movement to the entire labor movement. There are such people on both sides.

MR. PEARL: Yes, and there have been bankers who have gone to jail, too.

MR. BARTON: I would like to say this: I think we have to restrain ourselves, and have less name-calling, and more of a temperate attitude on both sides.

I was in a meeting the other evening where they discussed pensions and it was pointed out that some employers early in the century had started pensions, and somebody got up there and attributed the bad and sinister motives to all these employers who had started pensions. I don't believe it. I think most

of them started it because they sincerely wanted to do something for their employees.

Moderator Brinkley: Mr. Sanders wants a word. Our time is almost up.

MR. SANDERS: I want to supplement what Mr. Barton has said, by saying that I think that we should not, in discussing and justifying certain repeals of laws at present, discuss conditions that existed fifteen or twenty years ago. Of course they were bad. Nobody condones those conditions, but I think the mere fact that we had a much better relationship lies in the fact that we have the Wagner Act and the Taft-Hartley Act.

Moderator Brinkley: I am sorry, our time is up.

Before we go, I want to summarize some of the opinions we have heard today, in answer to our question: "How can Labor-Management Relations be Improved?"

Mr. Pearl, of the American Federation of Labor points out there is no magic formula, says the best way is through collective bargaining in good faith on both sides, and says it will not work unless both sides do exercise good faith.

Mr. Barton of the Chamber of Commerce agrees with that, says the problems today are staggering, pensions, for example, plus other things which are confusing, for example, John L. Lewis; but says even so, progress is being made.

Senator Humphrey of Minnesota agrees, too, and says more knowledge of labor history would be helpful to everybody. Also, an improved public attitude would help; so would conciliation and so would community participation by both management and labor, and Mr. Sanders of the Grange, says he recommends three methods, first, defining the fundamental rights of both sides, second, machinery whereby both sides can openly and freely bargain, and third, some means of removing wages from dispute by some means of automatic adjustment.

Our thanks to all four of you for being with us today.



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