

THE STEEL DISPUTE

A STATEMENT BY
SENATOR HUBERT H. HUMPHREY, (D., MINN.)

MAY, 1952

Every American is vitally concerned with the steel dispute and the action of the President in seizing the steel mills. Every American should attempt, to the best of his ability, to obtain all of the facts before arriving at conclusions. Unfortunately, the flow of facts to the public has been piecemeal and all too often these facts have been distorted by interest groups which are attempting to sell their side of the story to the public. I think it is fair to say that in this steel case there have been more paid advertisements, more radio broadcasts, more television discussions, than on any other single economic issue.

The Congress of the United States, however, cannot rely on advertisements, speeches, charges and counter-charges in its effort to objectively analyze the facts and arrive at responsible conclusions. Therefore, immediately following the action of the President in seizing the steel mills, the Senate Labor and Public Welfare Committee, of which I am a member, began extensive and comprehensive hearings on every aspect of this case. We arranged for witnesses to appear and testify. These witnesses included representatives of the government agencies, such as the Office of Economic Stabilization, the Office of Price Stabilization, the Wage Stabilization Board and the Secretary of Defense. We also had as witnesses and received the testimony of the leading representatives of the steel companies, the spokesmen for the steelworkers, members of the special panel authorized to make preliminary studies in this case for the Wage Stabilization Board, and representatives of the public. No area of dispute was ignored. The Senate Committee, with the assistance of trained and competent staff, has gone into the matter of prices, wages, profits and production. In light of the charges of some steel executives against the Wage Stabilization Board personnel, we have carefully checked into the background of the Board members. These Board members have been cross-examined with the aid of counsel. Furthermore, the Senate Labor and Public Welfare Committee has carefully examined the entire stabilization policy and sought to determine whether or not this policy was violated by the Wage Stabilization Board recommendations in the steel case. We have reviewed the powers, the functions, the authority and actions of the Wage Stabilization Board.

A complete and exhaustive investigation has been made. These hearings were public. They were covered by radio, television, and the press. The testimony will be made available to the public in the form of printed hearings just as soon as the Government Printing Office can get them printed. We have conducted public business openly and frankly. This statement gives you a brief analysis of some of the hearings. It would require many more pages to give you a detailed analysis. That, however, will be made available in the form of an official Senate Committee report supported and documented by the printed testimony and hearings.

The wage and price problems involved in the steel case are infinitely complex. The Wage Stabilization Board, for example, conducted hearings for a period of two months in an effort to get the facts. The Office of Price Stabilization held many conferences with steel company officials and studied technical data for a similar period of time. The Senate Committee on Labor and Public Welfare, of which I am a member, and the Subcommittee on Labor and Labor-Management Relations, of which I am chairman, have been holding extensive hearings and received testimony running into hundreds of pages. I urge you as I have urged the Senate repeatedly, to attempt to assemble the facts before forming judgments.

WHAT ABOUT SEIZURE

The issue as to the constitutionality of the President's seizure of the steel mills is one which cannot be determined by debate, charges and counter charges through the press and on the public platform. This issue can be decided in only one place -- the courts. As you know, Judge Pine of the United States District Court, has made a ruling enjoining the President's action. The Circuit Court of Appeals has stayed the action of the United States District Court. The entire case is now before the United States Supreme Court. It is in this court -- and only in this court -- that the issue of constitutionality can be determined. By the time you receive this statement, the Supreme Court may have acted. I merely want my position in this case to be perfectly clear. I have honestly felt that much of the heat and bitter debate over the President's action could do very little to settle this case. The Congress has its responsibilities. Those responsibilities are to investigate, to prepare legislation, and to legislate. The responsibilities of the courts are those over litigation and adjudication. I have told my colleagues in the Congress that if we would utilize our energies in the preparation of much-needed legislation on the whole subject of major labor disputes, we would be performing the service the public expects. I for one have

never felt sufficiently trained in constitutional law to make a judgment as to the constitutionality of the President's action. My position has been, and continues to be, that this is a judicial problem, not a legislative one.

The President in seizing the mills acted in what he believed to be the public interest. Needless to say, there are those who violently disagree with the President's judgment. The President did not act, however, without advice and counsel. This was testified to before our Committee. Secretary of Defense Lovett stated he had advised the President that any extended stoppage of steel production would expose our nation to serious danger. He explained that it had been decided to "stretch out" our mobilization program in the interest of protecting our economy from undue strain. The additional risk involved in the steel stoppage, he said, would be excessive. Chairman Feinsinger of the Wage Stabilization Board stated it quite forcefully when he said that continued steel production is a "matter of life or death".

I have always reserved and exercised the right to question any action taken by the President. However, it must be borne in mind that his office provides him with information, much of it necessarily secret, that simply is not available to the public. It is mistaken to attempt to substitute hunch and surmise for complete information in assessing the danger to which a steel stoppage would subject the Nation. I am convinced that uninterrupted steel production is a vital necessity to our mobilization program and the national security. I have discussed the President's action with the President himself. I did this in light of some of the statements made by the government attorney at the time the case was before the United States District Court. The President assured me, and he asked me to assure you, that he acted upon the best advice of the Defense Department and his legal advisers. We all know that the Constitution is the basic law of the land. It applies to all -- Presidents, Congressmen, and citizens. No man is above the law. No agent of government, whether he is the President or a civil service employee, can go beyond the Constitution. The power of the Executive, as well as the powers of the Legislative Branch are limited by the Constitution. In the last analysis, it is the courts which determine the limitations and the powers of the Constitution. As Chief Justice Hughes once said "The Constitution is what the judges say it is." This eminent jurist was only stating what is an obvious fact -- that a basic document such as our Constitution requires interpretation and application in light of existing circumstances and problems. That interpretation, under our Constitution, is a delegated power to the judicial system.

Seizure is not new to American government. During World War II seizure was used by the President in over 40 cases. In all but three of these cases, the seizure powers of the President were prescribed by statute. In three cases the President acted under what he termed his powers as Commander-in-Chief and as Chief Executive. Seizure in American government does not mean seizing the profits, nor does it deny due process of law in terms of protection of property rights. The Fifth Amendment still applies. President Truman was careful to explain this in his message to the Congress. Some of the propaganda which has gone out over the airways and through the press would lead the people to believe that the President's seizure of the steel mills meant nationalization of these properties. This of course is not the case. Seizure is what is commonly referred to in legal terms as a "taken seizure" and is for but one purpose, to keep the mills producing. Seizure requires that the worker stay on the job. It denies the right to strike. It also nominally deprives owners of full control of their property. I would point out, however, that under the Constitution as interpreted by the courts, a company whose property is seized receives whatever profit is made during seizure. In fact, under the present seizure order and those issued in the past, actual control remains with the owner and seizure is technical only. A vice-president of the United Steel Company testified that he knew of no damage his company had suffered since seizure. The Executive Order directing seizure provides for the payment of dividends and all other usual practices of private ownership. There is no confiscation.

The Congress is now preparing legislation spelling out seizure powers. This takes time, because seizure is an extreme action. None of us wants to see seizure promiscuously used. If it is used in the national interest, the investor's property rights should be protected; likewise, the worker's rights should be protected equally. It is my judgment that it is the responsibility of the Congress to legislate in this field. I do not like to see seizure as an executive action. Our government must be equipped by law to meet these national emergencies. The responsibility for any action as extreme as seizure should be shared both by the Executive and the Congress.

WHY NOT TAFT-HARTLEY

It has been alleged that the President should have used the Taft-Hartley Act in this case. As a member of the Senate Labor Committee and Chairman of its Subcom-

mittee on Labor and Labor-Management Relations, I have been engaged in continuous study of that Act since my election to the Senate in 1948.

Title II of the Act prescribes a procedure for "National Emergencies". The first step is the appointment by the President of a board of inquiry which must investigate and report, without recommendations. Such an inquiry requires extended hearings and the preparation of a comprehensive and detailed report. Only after a report is filed may the President direct the Attorney-General to institute an injunction proceeding. The Court must then make independent findings that the statutory requirements are satisfied and may issue or refuse the injunction. It is a matter of cold fact that it has taken no less than nine days from the appointment of a board to the filing of a petition for injunction. And it takes at least a day or two, and usually more, for a court to act upon the petition. Even after an injunction is issued the statute limits its duration to a maximum of eighty days.

In this case the contract between the steel companies and steelworkers union expired on December 31, 1951. The President prevailed upon the union to voluntarily postpone a strike for a total of 100 days from the termination of the contract. During this period, hearings were held by the Wage Stabilization Board and some issues actually were settled and withdrawn from the dispute by the parties. In that time, negotiations were resumed which at any time could have resulted in settlement of the dispute. The use of the Taft-Hartley injunction procedure would have disrupted these delicate negotiations. Only at the eleventh hour did it become clear that a settlement would not take place and that the union would no longer postpone its strike deadline as it had done four times.

At this juncture it was a physical impossibility to use the Taft-Hartley procedure in time to forestall a stoppage. An extended interruption in production would have been catastrophic.

Secretary of Defense Lovett testified that it takes from two to three weeks to re-heat steel furnaces. Add to this the minimum of nine days it would have taken to procure an injunction. The loss of production would have been staggering.

THE WAGE BOARD DECISION

The steel companies in an intense and expensive advertising campaign alleged that the Wage Stabilization Board recommendations will result in a new round of wage increases. There is no evidence to support this charge. The Defense Production Act and the Board's regulations and policies do not allow new claims for increases on the part of other industries and unions based upon these recommendations. The steel decision would allow the steelworkers to catch up with other industries and would not lead. The attached report by the Technical Staff of the Labor Management Subcommittee explains in detail the wage issues. I hope you will read it.

There were approximately 20 major issues in dispute which involved over 100 detailed problems. In 25 recommendations the Board completely rejected the union demands, directed the parties to negotiate on 10 major issues and made affirmative proposals on the remainder. In no instance did the Board recommend the granting of the full union demand. Had the industry members of the Board joined the public members on some issues, the recommendations would have been more favorable to the companies.

FACTS PERTAINING TO WAGES

The steelworkers have had no wage increase since December 1, 1950 -- a period of over 16 months. Even if the full increase recommended by the Board were put into effect the employees would have lower real wages (less actual purchasing power) than they had in December 1950. To compensate for the cost of living increase since November 15, 1950 to January 1, 1952 -- 15 cents an hour would be required. Taking December 1, 1950 as a base the increase would have to be at least 9 cents an hour.

In determining whether an increase should be recommended and the amount the Board took several factors into account, but assigned no specific amount to each. They were: (1) cost of living; (2) increased productivity; (3) comparisons with other industries; (4) maintenance of traditional proportions of rates within the industry.

As to productivity, no precise estimate can be made for the recommended contract term of 18 months. However, from 1946 to 1950, for which figures are available, the man hours required to produce a ton of steel was reduced 17%. Technological advance can be expected to continue in this industry.

STEEL WAGES COMPARED TO OTHER INDUSTRIES

In considering applications for wage increases, the WSB has normally compared similar plants in the same area. As an industry member of the Board observed, "You can't compare steel to itself". As a result, the Board considered rates and fringe benefits in other industries and typical large employers. This comparison showed that the following increases have been granted during 1951 by typical large producers in the following industries: automobiles, 17 cents an hour; meat packing, 17.3 cents; rubber, 13 cents; farm machinery, 17 cents; electrical, 15.5 cents; shipbuilding, 17 cents plus; non-ferrous metals, 15 to 16 cents. Quite clearly, a steel raise could not be the basis for increases to industries which have already granted these comparable increases.

The Board recommended wage rate increases of $12\frac{1}{2}$ cents an hour for the first six months of 1952; an additional $2\frac{1}{2}$ cents for the second six months of 1952; and $2\frac{1}{2}$ cents for the first six months of 1953. Many major industries have contracts providing for similar or larger increases during that 18 month period.

Similar comparisons showed that the fringe benefits, such as shift differential and holiday pay, of steelworkers were well below those of most major industries. For instance, steelworkers have had no paid holidays. The Board recommended six, only five of which will occur in the remainder of 1952. Only slight improvements in shift differential and vacation pay were suggested. The sole change in vacation benefits would be 3 weeks after 15 years service instead of after 25 years. The improvement recommended would still leave steel employees below the level of most industries. The cost of many of these recommendations might be minimized by re-scheduling operations.

HOW MUCH WAGE INCREASE

Without taking these factors or increased production into account, the WSB recommendations would amount to a maximum 26.1 cents per hour in 1953. Over the whole 18 month contract period the average increase per hour would be 20.7 cents an hour. It is interesting to note that the steel companies first made offers after the Board issued its recommendations. Then the companies offered packages amounting to 16 then 20 cents an hour, according to their public statements. It does not appear to me that the Board proposals are excessive in the light of the industry offers.

I think it is significant that a substantial amount of any wage increase would not represent any substantial decrease of profit, but rather would come out of funds otherwise paid out in taxes. This is so because wages are tax deductible as business costs and the tax rates of the companies are high.

THE UNION SHOP ISSUE

The steel companies waged a large advertising campaign against a union shop recommendation before the Board issued its report and they have since publicly stated opposition to a union shop agreement. Of course, union security is a normal subject of collective bargaining and union shop agreements are common throughout the country. Both the Taft-Hartley Act and the Railway Labor Act permit union shop agreements. Under the law, an employee may be discharged for loss of membership caused by failure to pay initiation fees or dues uniformly required of all members. The law requires that initiation fees be reasonable. In effect then, the WSB recommendation is directed only to the elimination of "free riders".

It should be recognized that the WSB recommendations are not mandatory although, of course, they are influential. According to the testimony of a vice-president of the United States Steel Company, 93% of its employees are members of the United Steelworkers of America, C.I.O. There are union shop provisions in 45% of the contracts of basic steel companies for production and maintenance units. Subsidiaries of U. S. Steel, Bethlehem Steel, Jones and Laughlin have union shop contracts with the steelworkers union.

Up to October 1951, the Taft-Hartley Act required a majority of employees in a unit to authorize their union to enter into a union shop agreement. Elections were conducted by the National Labor Relations Board for this purpose. In the steel industry there were 467,000 employees eligible to vote. 82% did vote. Of those voting 83.3% voted for the union shop -- or 66.9% of those eligible. These elections were held for units of 74 employers; only 3 groups of employees voted against the union shop. These facts, not disputed by the companies and based upon official reports, were recited by the WSB in its report.

During World War II, the War Labor Board recommended maintenance-of-membership agreements in most dispute cases. Such agreements provided that employees who were members of the union on a given date or who became members thereafter were required

to maintain membership for the duration of the contract. The WLB recommended such agreements in the steel industry and those provisions were incorporated into steel collective bargaining agreements. At that time maintenance-of-membership represented a greater change in existing conditions than the union shop does today.

It is of interest that the Board recommended the union shop in principle and left the details to be bargained out. The industry members of the Board refused to join the public members in a proposal to return the union shop issue to the parties with a provision that if agreement were not reached the Board would reconsider it. The industry members wanted a flat rejection of the union shop. Faced with this impasse the public members of the Board agreed to recommend the union shop.

Let me reiterate, the Board report contains only recommendations and is not compulsory

WHAT ABOUT PROFITS AND PRICES

Apparently the real issue in this steel case is price -- the price of steel. Again and again in the testimony before our Committee it was categorically stated that if the government would permit a large price increase the wage issue could be settled. Of course this would mean the end of our stabilization program. It has been made a matter of public record that the steel companies asked \$12.00 a ton price increase. The companies have denied ever making such a request. This price subject has been widely discussed in the press and has been used in paid advertisements. The steel companies recently stated in their paid ads that they never did seek a \$12.00 increase per ton. What are the facts?

The Economic Stabilizer, Mr. Roger Putnam, a reputable and honorable citizen, stated under cross examination before the House Banking and Currency Committee that the steel companies did ask for a \$12.00 a ton increase. Mr. Arnall, Director of the Office of Price Stabilization, has stated on the record that the steel companies did ask for \$12.00 a ton. The steel companies recently have retreated from their statements that they did not ask for this increase. It appears to me that there has been far too much misrepresentation here.

Price Administrator Arnall testified that the companies have insisted upon \$12.00 a ton price increase as a condition to settling the dispute upon the terms recommended by the WSB. This is totally unreasonable, unjustified and would wreck the anti-inflation stabilization program. Here is what the recommended wage increases would actually cost: \$2.96 a ton for the first six months of 1952; \$3.89 for the second six months of 1952 -- an average of \$3.43 for the year; after January 1, 1953, \$5.05 a ton -- an average of \$3.97 for the 18 months contract term recommended. These figures include allowance for proportionate increases to salaried workers, in conformity with usual steel company practice.

Assuming equal increases to related workers in subsidiaries in coal, iron and limestone works the wage increases would cost per ton: \$3.49 for the first half of 1952; \$4.58 in the second half -- an average of \$4.03 for 1952; after January 1, 1953, \$5.94 -- an average of \$4.67 for the 18 month period.

OPS was generous to the steel companies in figuring these costs. It did not take into account reduced costs due to increased productivity or rescheduling to minimize overtime, shift and holiday premium pay costs.

PRICE ADJUSTMENT

Under existing law the steel companies are entitled to an increase of approximately \$3 a ton whether or not a wage increase is given, under the terms of the so-called "Capehart-Amendment" to the Defense Production Act.

OPS regulations permit price increases when profits (measured in terms of return on net worth -- a standard very favorable to business) fall below 85% of the three best years from 1946 --1950. Those base years were exceptionally profitable for the steel industry as a whole -- the average gross profit was \$1,200,000,000.00, (\$1 Billion 2 hundred million). Actual 1951 earnings were \$1,918 million. Assuming a \$6 a ton increase in labor cost (a very generous figure) and the \$3 Capehart increase, the steel companies would still show a 28% return on stockholders' investment. Put another way, earnings, before taxes, for the base period were \$11 a ton and approximately \$20 a ton in 1951. Adding \$6 to costs and subtracting \$3 for a price increase, the decrease would be about \$3 -- although probably less in actual fact. Even after taxes, present profits exceed profits of the pre-Korea period. Steel net profits have been higher in the recent past than at any time since World War I.

PROFITS BEFORE AND AFTER TAXES

It is urged that profits should be measured after rather than before taxes. Yet, the companies do not contend that wages should be so computed. You and I as taxpayers know that our compensation is paid to us without regard to the taxes we pay. Our system is that of progressive taxation. Broadly speaking the tax structure is graduated so as to take larger proportionate parts from large income than from small incomes. This is true of personal income taxes. Corporate taxes are less sharply graduated and far lower than individual rates for equal income—except in the excess profits tax brackets. Indeed, because of excess profits tax rates, the \$12 a ton increase sought by the steel companies would result in an actual income of about \$3.50. On the other hand, a substantial portion of any wage increase would come out of funds otherwise to be paid out as taxes.

WAGE AND PRICE RELATIONS

The steel companies have argued that all past wage increases have resulted in equal increases in material costs, so that the government estimated maximum of \$6 would be \$12 a ton. The OPS rejects this argument for two reasons. One, it has a policy of not granting present increases on predictions of future costs that are not fully established. Secondly, despite a substantial wage increase in mid-1948 material costs in steel remained constant from the beginning of 1948 until the outbreak of hostilities in Korea. In addition, since December 1950 there has been almost no net change in the cost of purchased services and materials in the industry. Price Administrator Arnall testified that if the cost of steel production does increase in the future the steel companies may file applications for relief on the same basis as other companies have in the past.

On the basis of the record, I am convinced that OPS standards are equitable and indeed generous to business. It is clear that even if the full recommendations of the WSB were put into effect the industry would not merit a price increase approaching the figure it requests. Such an increase would be a body blow to our stabilization program by pyramiding costs of all products, military and civilian, using steel. Inflation could be the means of swamping our economy to an extent that Soviet aggression would have a free hand throughout the world.

The figures on production, profits and prices that I have used in this statement are a matter of public record. They can be verified by the records of the Federal Trade Commission, the Iron and Steel Institute, and the Office of Price Stabilization. I have tried to be factual because facts have been very short in the public discussion of this steel case. Unfortunately, not only have the facts been distorted, but there have been unfounded and inexcusable attacks upon the integrity, the character, the background and the experience of the public members of the Wage Stabilization Board. These members are men of honor. They are experienced in the field of labor-management relations. Each and every public member in past years has had his services utilized by industry and labor as impartial arbitrators. Each member is acknowledged as an expert by those who are experienced in the field of labor-management relations. If there is any one charge which the representatives of the steel industry have made which weakens their case, it is the prejudiced statements referring to the WSB public members. Chairman Feinsinger is well known in the Minnesota area. For years he has served as the impartial arbitrator for the Honeywell Company. Never before have he or his associates been accused of political dealing or being union stooges. These charges on the part of Mr. Randall of Inland Steel in his television broadcast are most unfortunate.

CONCLUSION

Panic can be more harmful than the problem which occasions it. I trust that when the partisan clamor has subsided this dispute will have been settled in an orderly fashion. This desirable end will be achieved more readily in an atmosphere of calm and informed deliberation. The emergency which we are in is grave and requires our best and most sober efforts.

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Defense

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Veto

STATEMENT BY SENATOR HUBERT H. HUMPHREY
ON

PROGRAM FOR SOCIAL SECURITY LEGISLATION
MAY 1952

The financial plight of our older people today is nothing less than tragic. There are in the United States more than 12 million men and women past 65 years of age. Less than a third of them are able to find even part-time employment. As for the rest: a fortunate minority have savings and dividend income; some, also fortunate, still own their own homes and can rent rooms; some are partially supported by their adult children and other relatives. Most older men and women, however, must look to social security insurance or public old age assistance as their chief source of dependable income.

Yet, in the face of the highest cost of living in our nation's history, benefits under social security insurance average only about \$43 a month. Assistance payments average even less. Not counting luxuries, not counting doctor and hospital bills, not counting even shoes and clothing, can anyone say that \$43 a month is enough to live on? Of course it isn't and something must be done at once to increase these benefits. Surely our government can increase the insurance payments and the old age assistance. This is but to ask simple justice. Therefore I am asking the Congress this year to increase the benefits.

I am sponsoring seven social security bills. They are listed below. All of them have been referred to the Senate Finance Committee or the House Ways and Means Committee or both. Only one so far has seen the light of day -- a bill to increase payments by 12½% came to a vote in the House of Representatives on May 19 and was defeated by a combination of 99 Republicans and 41 Democrats. At the present time all of these bills rest in the two financial committees of the Congress. It is from these two committees that the first action must come.

The bills I am sponsoring are as follows:

S. 1983 -- This bill provides for a very modest increase. It calls for an additional \$5 monthly for all retired workers on the insurance benefit rolls, plus \$2.50 for a wife and \$3.75 for a widow. It was introduced in August 1951 as a stopgap measure, meant to pass quickly and provide some measure of needed immediate relief. It was referred to the Senate Finance Committee. The Committee never acted.

S. 2705 -- This bill was introduced by Senator Lehman with Senator Murray and myself as co-sponsors. It would extend social security insurance to 11 million persons not now covered, including farmers, farm workers, members of the armed forces, certain domestic workers, some government employees, and all disabled workers, regardless of age. It would revise the benefit formula: (a) to increase benefits; (b) to remove some of the present inequities in the formula. Under the S. 2705 formula, benefits would be based on the worker's ten best earning years, including up to \$6,000 per year, and on the number of years he actually worked, with a 1% annual increase in benefit amounts for each year of work in covered employment.

S. 3001 -- This is a first step in a new direction. I introduced it jointly with Senator Murray. This bill would provide prepaid hospitalization up to 60 days a year for everyone receiving old age insurance who is in need of hospital care. The problem of sickness is serious for the aged. Again and again it wipes out a lifetime's savings overnight. Voluntary non-profit plans and commercial insurance companies, almost without exception, do not cover people 65 years of age and over. This bill would help not only the aged but the communities in which they live. It would help the hospitals which now often provide hospitalization free of charge or for partial-pay services. It is my hope this bill will be accepted by the Congress as the solution to a very critical social problem -- sickness in old age.

S. 3079 -- This is similar to the measure that was defeated by the House of Representatives. It would increase all social security benefits by an average of $12\frac{1}{2}\%$. In addition, the minimum payment to an individual would be increased from \$20 to \$22.50 per month and the maximum payment to a family would be increased from \$150 to \$168.75.

S. 3120 -- This bill would increase the federal contribution to the states for old age assistance, aid to the blind, to the disabled, and to dependent children by approximately \$5 per person per month. The Congress had a similar bill before it all during 1951 but never acted.

S. 3121 -- This bill would increase from \$50 to \$100 the amount which may be earned in covered employment without loss of social security benefits. In this period of growing manpower shortage it is wrong to discourage persons over 65 from working at whatever part-time jobs they can find. There may have been merit at one time for such a provision but it does not exist today. It would be even preferable, in my judgment, to eliminate the earnings ceiling altogether. It must be recognized, however, that the Congress is not prepared to go that far at this time.

S. 3122 -- This is a further extension of the social security system. It extends coverage to all college and university employees and I introduced it at their request. Up until now employees of Colleges and universities have been excluded from the social security system because they are covered by state retirement plans. Few of these state plans, however, are adequate to the need.

These bills define the minimum goals for social security in the United States. They would make our social security system, not a perfect system, but a better system, a sounder, more just, and more comprehensive system. They do not provide coverage for everybody, as a perfect social security system would, nor do they provide for every hazard, as some believe desirable. They provide merely for broader coverage than now exists and for benefits more nearly approaching the standards required. They ask only the very least.

None of these bills is complicated or involved. Each lends itself to immediate action by the committees to which it was referred. I have so urged the two committee chairmen -- Senator Walter F. George, Chairman of the Senate Finance Committee, and Congressman Robert L. Doughton, Chairman of the House Committee on Ways and Means. I am asking my friends and constituents to write as well.



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