Labor Relations in The U. S. Coal Industry

AN ANALYSIS OF RECENT DEVELOPMENTS

By Mary van Kleeck

WHEN the bituminous coal miners of the United States stayed away from work with practical unanimity on May 1, a strangely diversified group of severe critics voiced their protests against interrupting production at a crucial moment in the World War. They were agreed in the view that, however serious might be the grievances of the miners, the United Mine Workers of America and its president, John L. Lewis, should not have led the men into a strike. The union had, in fact, been a party to labor's "no-strike" pledge of December, 1941. At the same time, even the critics were careful to declare that the miners had justifiable grievances. That these grievances were fundamental, and that their satisfactory settlement has an important bearing upon the conduct of the war, has nevertheless very generally been overlooked. At least it must be said that adequate, constructive action to deal with the problems involved has not been taken in the months since the first strike occurred.

The Problem of Coal

Despite competition of other fuels, coal continues to be the major source of heat and power upon which all other industries depend. But coal cannot be produced without miners, and their efficiency, individually and collectively, calls for statesmanship in labor relations and a knowledge of the human sciences, to the end that such working and living conditions may be established as will make for the release of human energies. Such functions as government may properly perform in promoting better working and living conditions and safeguarding a democratic national policy in labor relations will be the more successful in proportion as joint co-operative action between management and the union becomes a reality at all levels of the industry, from the depths of the mine, with all its problems of safety and good functioning, to the national organization of an essential industry. A well-organized, smoothly functioning coal industry is a necessity in the peacetime economy.

Yet labor relations in coal mines, thus envisaged as fundamental in the management of a nation's production system, are a neglected area of national life in the United States. Recent news from Great Britain and discussions in Canada indicate that these two nations confront a similar problem. Perhaps, then, analysis of recent developments in the United States may be helpful in stimulating a new and constructive attitude in this area of common interest between our country and Canada. For Canada and the United States are both rich in coal. Both have found the miners somewhat turbulent. Both nations deal with the same union, the United Mine Workers of America. Both need to recognize not only the turbulence, but the constructive achievements and the great potentialities of the miners' union in establishing working conditions which are favorable for satisfactory production and in collaborating in the larger problems of organizing an admittedly disorganized industry.

EDITOR'S NOTE:

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Collective Bargaining Negotiations Break Down

The strike on May 1 came after negotiations between union representatives and operators for renewal of the contract broke down through failure to reach an agreement. The Appalachian Agreement, adopted in 1941 for two years, expired March 31. In accordance with custom, negotiations began two or three weeks earlier in New York. On behalf of the miners, a number of proposals or "demands" were put before the operators' representatives, organized in two regional groups, from the North and the South. The most important of the miners' proposals called for an increase in wage rates amounting to $2 a day, including an allowance to cover a "portal-to-portal" workday, corresponding to "bank-to-bank" payment in Great Britain. Portal-to-portal working time would cover the miner's travel from the entrance of the mine to and from the workplace, instead of merely time spent in the workplace.[1] Other proposals, important in themselves but less prominent in subsequent discussions, provided for extension of the six-day week which had been adopted as a war emergency, but asked for its termination at the end of the war; asked for elimination of the third shift, on the ground that 24-hour operation prevents "rock-dusting," proper ventilation to lessen gasses, and other provisions against hazards of explosion; and called for elimination of occupational charges such as electric light and cap rentals, special tools and equipment, and blacksmithing.

The proposal for a wage increase was generally interpreted as contrary to the government policy of wage stabilization as part of the anti-inflation program. This policy was expressed in the "Little Steel formula" adopted July 16, 1942, in the War Labor Board's settlement of the "Little Steel" dispute (between United Steel Workers of America and Bethlehem Steel Corporation, Republic Steel Corporation, Youngstown Sheet and Tube Company, and Inland Steel Company) and based on the findings of the Bureau of Labor Statistics that the cost of living had increased 15 per cent from January 1, 1941, to May 15, 1942. The President's stabilization message was sent to Congress on April 27. Therefore the Board laid down the rule that "if any group of workers average a 15 per cent wage increase or more" for the period from January 1, 1941, to May, 1942, "their established peace-time standards have been preserved." As the Appalachian Agreement had increased the wages of coal miners by approximately 15 per cent or more in the spring of 1941, it was commonly believed that, under the Little Steel formula, no further increase would be granted.

The miners contended that their increase of 1941, the first since 1937, was based on increased labor productivity and lowered cost of production of coal, preceding the adoption of the new contract, and that it was not an increase covering a subsequent advance in cost of living. They further contended that labor's no-strike agreement, adopted just after the attack on Pearl Harbour in December, 1941, had been "breached" by the failure of the government to stabilize prices as well as wages. The War Labor Board, however, in its current pronouncements had made clear that even if the cost of living had advanced somewhat more than 15 per cent, this did not justify general wage increases, which would cause inflation detrimental to labor as well as to employers and consumers. Under the circumstances, the operators, in the negotiations with the miners, declined to agree to any wage increase whatever, evidently preferring to let the case go to the War Labor Board for settlement. In fact, it was rumored that at least the southern operators saw in the situation an opportunity to abandon the national collective agreement and to weaken the union. Whether or not this was their position, the War Labor Board,

1. This change was proposed because of a recent court decision in Alabama, sustaining a ruling of a federal agency administering the Fair Labor Standards Act that the workday of iron ore miners should be on a portal-to-portal basis.

in its report on May 25, declared its conviction "that the adamant position assumed by the parties in the negotiations had precluded any real collective bargaining on the numerous items as to which collective bargaining could have properly taken place without violating the national wage stabilization program."

When it became evident that negotiations were failing, President Roosevelt on March 22 sent a telegram to the negotiators, suggesting that conference continue beyond April 1 until a satisfactory agreement could be made, with the understanding that the agreement, when finally adopted, would be effective as of April 1. The negotiators accepted the suggestion for continuation, but the miners set May 1 as the terminal date.

Intervention by the Government

Under the executive order of January 12, 1942, establishing the War Labor Board, a procedure was laid down for dealing with labor disputes. First, collective bargaining should be tried; then conciliation through the Department of Labor; and if both failed, the Secretary of Labor would certify the case to the War Labor Board as mediator. In accordance with this procedure, a conciliator was sent about the middle of April, but shortly thereafter, recognizing the failure to reach an agreement, the Secretary of Labor, on April 22, referred the case to the Board.

Space permits only the briefest statement of subsequent developments, which are important only as background for analysis of their significance.

On assuming jurisdiction on April 22, the War Labour Board declared that the old contract would remain in force until the dispute was resolved, that a new one would date from April 1, and that the parties were requested to submit their statements. The United Mine Workers did not appear and the Board, which had begun hearings on April 28th, immediately recessed on the ground that it could not proceed if the union involved were on strike or threatening to strike. The miners struck on May 1 and the President ordered the Secretary of the Interior, Mr. Ickes, as Fuels Administrator to take over the mines for government operation. The next evening President Roosevelt's appeal to the miners to return to work was preceded twenty minutes earlier by Mr. Lewis' announcement that work would be resumed on May 4 and that this truce would be extended to May 18. The Fact-Finding Panel of the Labor Board having resumed its work, the Board issued an order on May 14 that certain of the issues should be settled by collective bargaining and others worked out jointly in consultation with a division of the Board on May 17. Again the Mine Workers did not appear but on May 18 Mr. Lewis at the request of the Fuels Administrator extended the work period to May 31. A week later, the War Labor Board made public its decision, denying the mine workers' demand for a wage increase. "Since they are among those workers who have already had a general wage increase of more than 15 per cent since January 1, 1941". That occupational charges be paid by the operators was declared to be "fair and reasonable". Several issues were referred back for settlement through negotiation. The labor members of the Board unanimously dissented from the denial of a wage increase, holding that an advance was justified by the "tremendous and uncontrolled rise in the cost of living during the past two years. . . The failure of price regulation makes imperative that wage regulation must be realistically adjusted". The strike was renewed on June 1, after unsuccessful efforts by the Fuels Administrator to obtain an interim settlement, during which a factual study could be made of the portal-to-portal issue. According to Mr. Ickes, in a recent magazine article (Collier's, September 4); "When the miners walked out at midnight that night, there was a difference of a mere 50 cents" on "interval portal-to-portal pay as between operators and miners."

The comment may well stand as the final word in the chronology, since developments in June brought no settlement. On June 12 Congress passed the War

Labor Disputes Act, forbidding strikes in plants taken over by the government. The President vetoed it because of additional provisions that in privately operated plants thirty days' strike notice should be given and a vote taken after thirty days, under the auspices of the National Labor Relations Board,—apparently a stupid borrowing from the Canadian Industrial Disputes Investigation Act without taking over its provisions for mediation and conciliation. The new Act also provided that the government should return plants to private ownership when normal production was resumed. On June 25 Congress passed the bill in its original form, over the President's veto, and the War Labor Board became administrator of the Act.

Three days earlier, on June 22, the policy committee of the United Mine Workers had ordered the miners back to work, giving until October 31 for negotiation of a union contract and declaring that the miners would not strike so long as the mines were operated by the government. Earlier, on June 18, the War Labor Board had issued another decision, this time called "final", directing acceptance by miners and operators of the Appalachian Agreement of 1941 to remain in effect until March 31, 1945, with certain additions, notably, an amendment that "for the duration of the war no strike shall either be called or maintained hereunder." The labor members unanimously dissented. This order has been ignored, and, in the words of the labor members' dissent, "the issues now become more confused than ever, with no final determination in sight for a long time to come."

August was marked by two developments. Early in the month Mr. Lewis appeared before the War Labor Board to argue for acceptance of an agreement concluded between the union and the Illinois operators, but the Board declined to approve it. On August 23 the Bituminous Coal Act, which had been in operation for six years, to try to bring about stability in minimum prices of coal, expired after Congress had declined to accept the recommendation of the Secretary of the Interior, its administrator, that it be continued. In the view of the Secretary of the Interior, Mr. Ickes, the termination of this Act was a large factor in preventing the operators from reaching an agreement with the miners since they were without the security as to prices which the Act had given them.

Production of Coal for War

Meanwhile, what has happened to production? The Federal Reserve Board reported in September a highly satisfactory recovery in July after the decline in mine output due to the strikes in June. At the same time the Fuels Administrator declared that 25,000,000 tons were lost because of the strike and might not be regained to make possible the year's goal of 600,000,000 tons.

The basic significance of the coal dispute is to be found in the questions which it raises regarding labor relations and joint union-management co-operation with the government in production of coal in wartime. It calls for new consideration of these issues, which ramify too widely for adequate treatment at this point. Nevertheless it may be said that stabilization of wages as an element in a national anti-inflation program calls for more than the mere acquiescence of labor in a stabilized wage. Even though the large majority of unions have thus acquiesced, it remains true that the result may not be in the best interest of adequate production.

A national policy on wages and prices must be directed toward (1) a proper sharing by labor in increased productivity, which is much to be desired during the war; (2) a substance-of-living plan, rather than a mere cost-of-living index. The miners, for instance, were motivated primarily in their demand for higher wages by high prices of food. Not only were prices high, but the food needed to maintain their strength for their extra-laborious task was not obtainable in their local markets. A food-production plan, rather than a declaration that "ceiling prices" were being enforced, was what the miners needed.

The problems, obviously, are not easy of solution. But one notable step remains to be taken which is wholly in keeping with the standards of a democratic nation. This step would look toward genuine participation by the whole body of unions throughout the nation in the formulation of policies and their administration in the organization of production, on the one hand, and, on the other hand, in supplying the essential needs of the civilian population. This participation would take the form of joint union-management committees in workshops, and of representation of labor in administrative and policy-making governmental agencies in the local community. This twofold participation in industry and in the community should be carried from the local community through every level of administration to the national government.

It is true that industrial workers, along with all other citizens, must make sacrifices. But only those sacrifices should be expected which definitely contribute to the well-being and effectiveness of the nation at war. A voice in determining these conditions, especially wages, hours, speed of work, and safety, is the only possible assurance that the necessary sacrifices will not be in vain. Moreover, this representation of the workers, with their first-hand experience in the processes of production, will go far to release workers' energy for an even higher level of productivity, while safeguarding their health and welfare.

Joint Production Committees in Great Britain

By J. Vernon Radcliffe

THE Joint Production Committees, which have sprung up by the thousand in the engineering factories of Great Britain, are the product of an agreement in March of last year between the employers' federation and the trade unions and are direct descendants of the industrial concord established at the outbreak of the war. They function on the factory level but their parentage is to be found in the national arrangements between the Government, the unions and the employers which established and have maintained a unity of endeavour and of purpose greater even than that of World War I.

Joint Production Committees identify the organized workers with the drive for maximum output. This has required a change of mental outlook. The traditional trade union policy in Great Britain has been to increase the number of workers rather than to increase the output of the individual worker. To spread work among as many workers as possible has been, for the unions, an accepted means of lessening unemployment.

For the introduction of piece-work and the payment of output bonuses, to secure a large individual output by each worker and thus to lessen the unit costs of production, the employers and not the work people have been responsible. These methods of payment have been established in spite of initial opposition by the unions though the work people would not, during many past years, have been willing to sacrifice the larger earnings which they have ensured.

But the unions have not, except in war time, been concerned with promoting factory output. Their readiness to take another view was prompted by knowledge of the vital need for equipment, weapons and munitions of every kind, and the removal of the fear of unemployment, for themselves or their fellow unionists, during the war.

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