

the rank and file in action

Labor today

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May 1974

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Auto workers take another look

DETENTE means jobs



South African coal endangers all miners

SOCIAL SECURITY by Ernest DeMaio



JIM WILLIAMS NEW CO-EDITOR OF LT

IT DOESN'T BEGIN TO MEET OUR ECONOMIC NEEDS

Second thoughts on auto contract

Labor Today

by LABOR TODAY STAFF

Across the country, auto workers are beginning to have sobering second thoughts about the contracts they ratified with the "Big Three" last fall. At the time of the ratification, there were a minority of auto workers who voted against the contract and urged others to do likewise. Most, however, shrugged and accepted it as the best they could get.

Today, they might vote differently if they had a chance. Some say the contracts would have been defeated if people had seen the "hookers" that have arisen since the pacts were negotiated.

No matter how it's sliced, auto workers are saddled with a weak contract, one that leaves management's rights and prerogatives untouched.

The no-strike and company security clauses are effective handcuffs on stewards, committeemen and rank and filers who wish to protect their health, safety and standards. With the government dead-set in helping the auto companies with their policies of intensive speed-up and an end to the right to strike, some of the UAW top leadership have just gone along.

OVERTIME COMPULSORY

The new contract makes overtime compulsory, under the guise of being voluntary. "Ask me, don't tell me" was the slogan many auto workers wore on their buttons last fall. However, the new contract puts in writing a nine or ten hour day and a 54 or 60 hour week. This provision allows their plants to be run on overtime shifts while thousands of auto workers are out in the streets unemployed. The compulsory nature of overtime is strengthened by the "conspiracy clause" in the contract prohibiting "concerted action among employees refusing overtime."

One of the ways the company tries to wring more work out of all its employees is to put the screws to the new hires. The new contract does just this by increasing the



pay differential for new employees by 45¢ an hour. These new hires already have to cope with a 90-day probationary period in which they really have to hustle in order to assure that they'll be kept on. Some auto old timers call the new hires "rate busters." But it is the company and the new contract that is at fault.

The overwhelming failure of the last contract was that it didn't even begin to meet the basic economic needs of the members. The contract was tailored to fit within the boundaries laid down by the wage control policies of the Nixon administration, rather than the needs of the workers.

Now, with inflation rising at a rate of 15%, many auto workers are raising the demand for an immediate contract re-opener to provide a sizeable wage increase.

NO WAGE CONTROLS NOW

The UAW leadership should take up this demand. They don't have any wage controls or pay boards to hide behind now. There is nothing to stop them from making this a key issue.

Many auto workers are ready to fight. Many feel that more could have been won in the last negotiations, and that certainly, more can be won now. Rank and file job actions in many auto plants last summer showed the willingness of auto workers to take on the corporations.

What seems to be the main thing many have learned from the last negotiations is that, in the absence of a strong rank and file movement, auto workers will be coming up short every time we sit down at the table with management, whether it is over a contract or over a grievance.

The strong opposition to the contract settlements that was felt by many could have sent the UAW bargaining team back to the table if the rank and file had been properly organized.

IT'S A GREAT UNION

The UAW has rightfully earned a reputation for being one of the best unions in the country. It has been forward-looking and has put forth progressive social programs. It has given support to the civil rights struggle (though not so much in its own house) and to the efforts to achieve peace in Vietnam.

THEY CAN'T AFFORD THE CARS THEY BUILD

Hard times for auto workers

by LABOR TODAY STAFF

The "ides of March" brought bad tidings for auto workers, especially around the Detroit area. The State of Michigan, according to government statistics, had an unemployment rate of 10.3 percent, with the rate in Detroit closer to 20 percent, the highest in the country.

All in all, it marked hard times for auto workers, not just in Detroit, but at plants scattered around the country.

Most people blamed the "energy crisis" for the cut-backs. The fact that people were switching away from big cars, and especially intermediate-sized cars (the

real bread-and-butter of the industry) to smaller vehicles had an impact.

But while the "energy crisis" certainly played a role in the crisis in the auto industry, it was hardly the main culprit. Most economists note that a downturn had begun even before the oil embargo in October.

Part of the problem is that workers can't even afford to buy the cars they make. The general inflationary spiral that has gripped the economy in recent years has had a severe impact on the way families spend their money. As the prices of necessities like food, clothing and shelter (gasoline too!) continue to skyrocket,

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Second thoughts on auto contract

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Because of this, the UAW is really in a special position to give leadership in a fight against the auto corporations and the Nixon administration.

The problem is that, while the leadership puts out good statements about Chile, about trade with the Soviet Union, about the economic policies of Nixon, it really hasn't put any muscle into the fight.

That's where the rank and file comes in. That's where the muscle is. It's the job of the rank and file to hold the leadership accountable for their words.

LET'S BUILD A FIRE UNDER THE LEADERSHIP

This fight has been hampered because the UAW leadership has been dragging its feet. It has not been giving real leadership. Well, the job of the rank and file is to build a fire under that leadership so that it will provide the kind of direction that is necessary.

The Auto Workers Action Caucus (AWAC) says, "We Do the Work, Let's Have a Say." That means that many workers are no longer willing to let management have unchallenged control over workers, or the right to run them ragged.

USE FEPC

One good point is that for the first time in our history, UAW Fair Employment Practices committees are recognized by the companies. They can now be used to investigate on-the-job complaints about company racism and discrimination.

Another area that needs to be dealt with is the area of accumulated unsettled grievances. Committeemen and stewards could appoint an assistant or deputy to cover each foreman. Or, the workers on the line could select one of their own people to represent them until the steward could be gotten. This can and should be done, even though it is not provided for in the contract. This is one way to get grievances settled on the floor and keep them from being "horse-traded" off at some later date.

Even if there is no provision for this in the contract, there is none against it, either. If the company doesn't like it, they can lump it.

SOME ACTIONS TO DEMOCRATIZE UAW

Meanwhile, we must work also to further democratize the UAW so that it can more accurately reflect the wishes of the membership. Some of these measures might include:

Print and distribute any proposed contract settlement, with the actual language, ten days before any special meetings called to vote on ratification of the contract.

Election by the members of all regional directors and international representa-

tives. They should be elected by the workers they serve.

Establishment of a Production Workers Conference with elected delegates as part of the UAW structure.

Develop closer ties with all overseas unions who bargain with the same multinational corporations that we deal with. The UAW should become the leading force in developing real international union solidarity.

This international union solidarity should include especially the development of relations with Black workers in South Africa and with our brothers and sisters in Chile who are fighting for the right of free unions to exist. We should also develop closer relations with the trade unions in eastern Europe and work to develop east-west trade on a basis that is favorable to both sides.

The problems of retired members deserve special consideration. At every level in the union structure, there should be someone representing the needs and interests of retired members. Retirees should have the right to elect special officers to look after their interests. However, the role of retirees should not outweigh that of active production workers. For that reason, retirees should vote only on those issues and officers that concern the interests of retired members.

Outlaw all secret "letters of understanding" with the companies which the

workers don't get to vote on, but which carry the same force as the contract itself.

Remove from the UAW all the last vestiges of the Cold War and restrictions upon the rights of UAW members to function and hold office without regard to political belief or association; that is, the "anti-Communist clause." Many important unions: the Amalgamated Meatcutters and Butcher Workmen, the American Federation of Teachers, the International Woodworkers, and others, have dropped such clauses from their constitutions in recent years. Last year, the Communications Workers rebuffed an attempt to insert one in theirs. It is a holdover from the worst days of the Cold War and has no place in our union.

As a young organizer and officer of the UAW, Walter Reuther said:

"Now the bosses are raising a scare, the Red Scare... Let us all be careful that we do not play the bosses' game by falling for the Red Scare. Some may do so through ignorance--but those who peddle the Red Scare and know what they are doing are dangerous enemies of the union."



Hard times for auto workers

(cont. from p. 1)

it has meant less and less money spent on so-called luxuries, including cars.

Many workers who might ordinarily have bought a new car this year have instead spent their time trying to figure out how to keep the old clunker running for another year.

Still another factor is that cars have become more and more expensive, with larger models easily costing \$4,000 or more. Let's face it. Most workers just can't make \$100 a month payments in times like these.

So while the energy crisis gets some of the blame, the real problems are rooted in the economy as a whole.

When the oil embargo was lifted, well over 100,000 auto workers were on the street indefinitely, and another 80,000 or more laid off on a seasonal basis. General Motors' management estimated that roughly 340,000 workers whose jobs were related to auto were unemployed.

Economists estimate that this high rate of unemployment will continue through the '74 model year and through the 1975 model year. There will be an estimated 550-600,000 jobs for production workers, compared with about 725,000 in the 1973 model year.

With a pool of experienced auto workers on the street, the employers are going to have

an easier time squeezing more work out of those lucky enough to be inside working. About one-third of those now unemployed, will never make it back into the plants because of long-term stagnation in the industry.

This increased unemployment hits hardest at Black and minority workers, especially those with less than one year in the shop. Women workers, many just getting a toe-hold in the industry, will also be hit hard.

While those workers who have been employed for a good while in the industry will be able to draw Supplemental Unemployment Benefits (SUB), those with less than one year seniority cannot.

Even SUB benefits are not all they're cracked up to be. While company propaganda says workers get about 95 percent of their straight-time pay, the actual figure is probably closer to 80-85 percent. Moreover, this is based on 40 hours straight time, not the higher overtime pay that the workers were making during the 1973 model year.

Some have begun to wonder if the fund from which SUB benefits are paid is solvent enough to stand the strain of mass unemployment in auto for such a long period of

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STAFF

EDITORS: John Kailin and Jim Williams
ART DIRECTOR: Peggy Lipschutz
RESEARCH DIRECTOR: Richard Herbert
STAFF WRITERS: Caryl Esteves, Paul and Linda Nyden, Elena Marcheschi, Johnny Woods
EDITORIAL ASSISTANTS: Andrea Shapiro and Susan de Gracia
PRODUCTION: Ken Appelhans, Bill Appelhans, Bill Mackovich, Ezra Cohen
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Steady work and a more peaceful world...

DETENTE MEANS JOBS

by NORMAN ROTH, President
UAW Local 6, Melrose Park, Illinois

There was a big occasion at our International Harvester plant here not so long ago. Workers from all over the plant gathered to watch as the final tractor of a \$40 million order from the Soviet Union rolled off the assembly line.

More than 450 of the super-sized TD-25C crawler tractors were produced at our plant last year--providing jobs for thousands of workers. That's why interest in the order ran so high. While many UAW members in the auto industry were being hit hard by layoffs, we were able to keep working because of the new trade opportunities that have opened up as a result of thawing of tensions between the U.S. and the Soviet Union.

This Soviet order was the largest single order for construction machinery ever handled by International Harvester. The tractors we made are the largest in the IH line. We equipped most of them with dozer blades, and others with side-booms capable of lifting 75 tons. These tractors will be used for laying pipelines in the USSR.

While this order is completed, we are now working on an order for Poland. Also, negotiations are underway for additional orders from other socialist nations.

All of this was made possible by the policy of detente.

The breakup of the Cold War between the U.S. and the socialist countries has been a good thing for members of UAW Local 6. It has opened up whole new markets for the products we make.

But detente must really be seen as something benefiting all Americans. All of us can breathe somewhat easier with every move toward peace, toward lessening the danger of nuclear war. There is no way we can put a price-tag on the value of peace to us and our families.

The Cold War is breaking up because it was a bankrupt policy, serving only the interests of some big corporations and reactionary politicians.

It costs us, the American people, billions and billions of dollars for costly armaments programs--money that can be put to better use building schools or hospitals, or a hundred different ways. A lot of us know now that military production, while it produces some jobs, doesn't provide as many jobs as the kind of peacetime work we have been involved in here.

This Soviet order was a real eye-opener to Harvester management. "The completion of this historic order," said Jules Laegeler, IH Division President, "is really the beginning of a new era of marketing for our Division." "Our licensing arrangement in Poland will allow us to get our name into Eastern Europe," he continued. Harvester will soon be opening an office in Moscow, he said.

All of us at Melrose Park are looking forward to more orders like these. It not only means steady work for our members when many UAW members are unemployed, but it means that maybe we are building a more peaceful world for our children.

These UAW members at International Harvester are all smiles as they gather to mark the completion of a \$40 million tractor order for the Soviet Union.



BIG SOVIET ORDER MADE THE DIFFERENCE

Machine tool jobs saved in Vermont

Today, there are a lot of union members in the machine tool industry in Vermont who are working regular and taking home good paychecks.

So what's the big news?

The big news is that in 1971, things weren't so hot. The machine tool industry, particularly in the northeast, was in a severe depression with about 40 percent of the workers in that industry laid off. Now they're back into production; full steam!

What made the difference? One magic little word: detente.

When new opportunities for trade between the U.S. and the Soviet Union opened up in 1971, a delegation from the United Electrical Workers (UE) visited the Soviet Union to discuss possible trade that would provide jobs for their members in hard-pressed Vermont.

Since then, UE members in Vermont have been employed on Soviet orders which were obtained after the U.S. government lifted trade barriers.

According to the Chase Manhattan Bank, Soviet job orders are having an important effect upon the American economy. Much of this new work revolves around the massive Kama River truck plant being constructed

in the USSR at an estimated cost of \$3.5 billion.

According to Chase Manhattan, American firms have already been awarded contracts for some \$270 million worth of machine tools and foundry equipment for the Soviet truck plant. The Soviets are reportedly seeking at least \$150 million in additional orders.

General Motors has been approached by Soviet trade representatives on the building of still another truck facility.

One roadblock to increased east-west trade is the current opposition by some elements in Congress to giving the Soviet Union "most favored nation" trade status--which actually means the right to buy U.S. goods on the same basis as allowed most other countries. Cold War forces here are demanding that normal credit procedures common to international trade not be granted to the Soviet Union unless the President declares each sale to be in the national interest and reports on each sale to Congress. Such moves could kill further trade prospects and certainly dim hopes for expanding many U.S. industries that have been floundering in recent years.

Is increased Soviet trade worth the effort? Don't ask us. Ask those UE members in Vermont who are bringing home paychecks instead of welfare checks.

NO DANGER IN FREE TRADE, SAYS WOODCOCK

Cuba buys Fords, GM's, but not from U.S.

Free trade with Cuba would mean more jobs for U.S. auto workers.

Recently UAW President Leonard Woodcock urged Congress to lift trade embargoes on dealing with Cuba.

Woodcock cited recent auto sale agreements between U.S.-owned corporations in Latin America and Cuba. Cuba recently ordered 13,000 U.S.-model cars and trucks which are assembled in Argentina by subsidiaries of Ford, Chrysler and General Motors.

"If U.S.-model cars are going to Cuba anyway, isn't it time for our government to amend the embargo so that Cuba can buy

motor vehicles produced in this country," Woodcock told Congress. "With more than 100,000 auto workers on indefinite lay-off, such trade opportunities should not be ignored.

Woodcock said if U.S.-Soviet trade was beneficial, trade with Cuba "holds no dangers for us."

The Canadian government recently extended a \$17 million loan to Cuba to finance Cuban purchases of Canadian-made railroad equipment. The Canadian loan, made to Cuba at "commercial rates" of interest, will finance the buying of 30 diesel locomotives manufactured by a corporation controlled by Studebaker-Worthington of New Jersey.

AUTO WORKERS RANK AND FILE

Strengthen UAW ★ Impeach

by LASKER SMITH, CHAIRMAN
AUTO WORKERS ACTION CAUCUS,
DELEGATE FROM UAW L. 2, DANA
INDUSTRIES, DETROIT, MICH.

As UAW delegates gather in Los Angeles to help chart the policies of this great union, it is important that we do some hard thinking about the political and economic situation we, as auto workers, are in. It is up to us, the delegates, to come up with some programs and solutions to help us deal with the crisis in everyday living that has affected all of us, both on the job and in the community.

The Auto Workers Action Caucus says:

The crisis that grips us stems in good part from the most corrupt and viciously anti-labor government in our nation's history. Under the Nixon administration, American workers have suffered tremendous economic losses.

We cannot endure another three years of these anti-labor policies.

So this convention must demand that Congress impeach Richard (expletive deleted) Nixon! Not only must Nixon be driven from the White House to the jail house, the big business economic policies of his administration should also be banished!

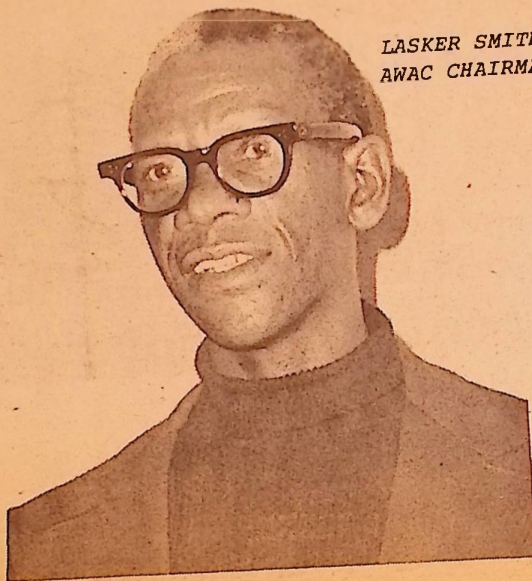
We are calling for the removal of Nixonism, another name for the rule of the big corporations. We are calling for a new administration that is based upon the independent political action of the labor movement. We must get rid of all of the effects of Nixon's wage-freeze policies. We must halt inflation and unemployment.

So, we don't simply want to replace Nixon with Gerald Ford. What we are talking about is a new direction, leading to new elections in order to undo the fraud of 1972. Independent political action by labor can bring this about, if we make it hot enough for our leaders.

This convention of the UAW should serve notice of an immediate wage re-opener in all contracts. It should be obvious to all that we are falling further and further behind economically as a result of the Nixon economic policies. If we are to ever begin to catch up, we must start now.

The big corporations have been enjoying huge super-profits during the past few years. Price controls have meant nothing to them. Their coffers are overflowing.

Well, those super-profits belong to us! They came from our sweat and blood. They came from the nerve-crushing speed-up and the killing overtime that many of us were forced to work.



LASKER SMITH,
AWAC CHAIRMAN

We want our share of those profits and we want them now!

We in the Auto Workers Action Caucus want a new approach to bargaining. We want an end to "crisis bargaining" in which we are forced to vote on a contract without ever seeing the actual language of that contract, or having enough time, whether it is a week or a month, to figure out for ourselves just what the contract means. And we want the contract to mean what it says.

WHAT IS AWAC?

The Auto Workers Action Caucus represents the united force of many rank and file, issue-oriented caucuses in UAW locals across the country. This caucus is made up of workers who are sick and tired of having their lives run by forces outside the union hall; sick and tired of having the corporations continually threaten their jobs by the presence of a large number of unorganized and unemployed workers. We are fed up with receiving a poverty-level paycheck after being hassled by the boss for 40 hours a week.

AWAC exists as the instrument through which each live, functioning rank and file caucus can get together to discuss and find answers to the problems that are facing us. Any local caucus that wishes to join and work with us on these issues is invited to contact us and help with this work.

AWAC is oriented primarily to the production worker in the auto industry. We especially wish to deal with the problems of auto workers who are most hard-hit by the problems facing us. We mean those workers who work in the hot, hard and heavy jobs, the dead-end jobs that mean being stuck with low pay and lousy conditions. We stand for a major improvement in the conditions of work for these workers, including 25 years and out and premium pay.

AWAC RANK AND FILE 4-point program

1 Bring the union back to the shop

- A STEWARD FOR EVERY FOREMAN.
- THE ABSOLUTE RIGHT TO STRIKE ON HEALTH AND SAFETY MATTERS.
- INNOCENT UNTIL PROVEN GUILTY.
- LET THE WORKERS VOTE ON LINE SPEED.

2 Strengthen the power of the union

- ELIMINATE CRISIS BARGAINING.
- INVOLVE MEMBERSHIP DURING NEGOTIATIONS.
- STOP THE "ONE-AT-A-TIME" NEGOTIATIONS.

3 Take the burden off the workers' backs

- END COMPULSORY OVERTIME.
- NO OVERTIME DURING LAYOFFS.
- VOLUNTARY INVERSE SENIORITY.
- 30 HOUR WORK WEEK FOR 40 HOURS PAY.
- END RACIST PRACTICES ON THE JOB AND ACCOMMODATIONS TO RACISM IN THE UAW.

4 Improve democracy in the union

- REFERENDUM ELECTION FOR ALL PERSONS CONNECTED WITH ENFORCING THE CONTRACTS.
- PRODUCTION WORKERS' COUNCILS TO BECOME A PERMANENT BODY IN THE UAW.

We in AWAC know that it is not an accident that most of the workers in these jobs have black or brown skins. We feel that by improving the conditions of these workers we will make it possible to integrate these jobs by encouraging non-minority workers to remain, thereby providing more opportunities for minority workers to advance. We in AWAC stand also for substantial improvement in the rights of women in the auto industry for promotion and entrance to skilled areas.

AWAC RANK AND FILE ACTION CAUCUS

Nixon ★ Reopen the contract

NORMAN ROTH,
UAW L. 6 PRESIDENT



AWAC RANK AND FILE Convention Program

Hundreds of resolutions will be submitted to the UAW convention. AWAC thinks that there are a few key resolutions to which the convention should address itself:

- I** End UAW cooperation with the Watergate gang and their agencies; get off all government boards and commissions that are used to control wages, increase speed-up and restrict our right to strike.
- II** Impeach Nixon, get rid of Ford, and hold new elections. It is a time-honored rank and file principle that elections won by fraud should be thrown out, the winning candidate removed, and new elections held. What's good for our unions would be good for our country!
- III** End all accommodations to racism. Remove all racist bars that block the advancement of minority groups to skilled trades and other good jobs in our plants.
- IV** AWAC's program for UAW re-affiliation with the AFL-CIO:
 - 1. Organize the unorganized.
 - 2. End the stranglehold of the Building and Construction Trade Council on the AFL-CIO structure.
 - 3. Provide for democratic election of members to the AFL-CIO Executive Council.
 - 4. Re-establish relations of the AFL-CIO with the world labor movement. Allow affiliated international unions to establish working relations with international unions in other countries for their best interests.
 - 5. End all cooperation with the CIA and other intelligence agencies that have been used to disrupt world labor organizations.
 - 6. End cooperation with government agencies aimed at controlling wages, increasing speed-up or restricting the right to strike.
- V** End the crisis in everyday living with a legislative program that handcuffs the criminals in the executive suites. Take the tax burden off workers' backs--tax the profiteering corporations. Roll back and freeze prices and profits. Provide federal programs to build houses, schools, hospitals, mass transportation, and health and child-care facilities. Cut the military budget in half.

AWAC urges all rank and file UAW members to start building caucuses in their local unions. If you don't like what you presently have, then it is your duty to organize yourselves to make the union work for you. Unless the rank and file organizes to get what we want, we will always be forced to settle for what some-

one else wants for us. We must work to develop our own participation in hammering out the answers to the problems that face us.

AWAC is here to help you build that kind of rank and file caucus. AWAC is here to help the rank and file at this convention



negotiating program

- 1** A wage increase of at least one dollar an hour. "Five point five's a bunch of jive--three percent don't pay the rent."
- 2** Revise the Cost of Living formula to provide a 1-1/2% increase in wages for every 1% increase in the Consumer Price Index.
- 3** No increase in line speeds or production standards unless agreed to by the union after a vote by the workers involved.
- 4** Strengthen union power in the shop--one steward for each foreman.
- 5** Innocent until proven guilty--no disciplinary action to be handed down until agreed to by the union.
- 6** No compulsory overtime--we need more money, not more hours!

move the union forward, to push for independent programs that deal directly with the day-to-day problems of the people in the shops.

We're here to send the leadership of the UAW a message. The time for beautiful words is past. We demand real action now! It is our job as rank and filers to make sure that the pressures we feel every day in the shop are felt at this convention. We are here to make sure our leaders truly represent us and our interests.

It is only the militancy of the rank and file that can create a willingness to fight, on the part of elected officials. We're breathing down their backs. We're not really opposing them. We're just trying to make them more progressive.

That's what AWAC is about.



Response from LABOR TODAY's readers shows great interest in AWAC and its program. Because of this interest, we are reprinting the AWAC program.

AWAC's address is:
P.O. Box 29116
Ecorse, Mich. 48229

YOU PAY MORE THAN THE BOSS

Social Security: who pays?

by Ernest De Maio, Vice President
United Electrical Workers

The Social Security system adopted in 1935 was a popular response to the failure of free enterprise to provide for the needs of the people in old age and when disabled. This minimum reform was bitterly opposed by the same forces that seek to dismantle it now.

Their favorite form of attack is to distort the facts in such a way as to confuse the workers into believing that they are the victims rather than the beneficiaries of Social Security. Down through the years, the reasons of the reactionaries haven't changed. Big Business implies that motivated by profit, free enterprise can provide more benefits at less cost than government bureaucrats. If so, why didn't they do it before Social Security was enacted into law?

Big Business cannot be blamed for benevolence. They have always regarded the workers as profit-bearing animals to be exploited. Their endless opposition is based on the fact that Social Security deprives them of an area of profitable exploitation. Government as they see it, should be an instrument to promote and protect profits and not the welfare of the people.

There are of course many justifiable criticisms of Social Security. The eligibility age should be lowered, benefits vastly improved at no cost to the workers.

When dealing with the costs of the present Social Security system, we are told that the funding is based on a payroll tax of 5.85% paid equally by the employer and the worker. It looks like a fifty-fifty deal. What could be fairer? But that is not the true picture because the employer pays its 5.85% before taxes whereas the worker pays

after taxes. Let us see how this works out for the average factory worker using the latest data of the Bureau of Labor Statistics (April 1974):

.....
How the Tax Code Affects the Costs of Social Security
.....

Average weekly wage	\$170.05
S.S. Tax (5.85%)	9.95
Federal tax paid on \$9.95 (four dependents)	1.39
Ill. State Tax (4% of \$9.95)	.40
Total cost to worker per week	11.74
.....	
Average annual wage	\$8842.60
Annual S.S. Tax (52 x \$9.95)	517.40
ANNUAL NET COST OF S.S. TO WORKER (52 x \$11.74)	
	\$610.48

Fed. Corporate Tax 48% withheld weekly (48% of \$9.95)	\$4.78
Ill. State Tax (4% of \$9.95)	.40
Total tax withheld	5.18

Net cost of S.S. to employers per week (\$9.95 - \$5.18) 4.77

Average annual wage	\$8842.60
Annual S.S. payout @ 5.85%	517.40
Less taxes withheld (52 x \$5.18)	269.36

ANNUAL COST PER WORKER OF S.S. TO THE COMPANY 248.04

.....
These are two examples of how our tax code impoverishes the workers while minimizing the burden of the employers.



The tax code penalizes the worker whose total cost for Social Security is nearly 2½ times the employer's net cost. The elimination of this inequity should be a legislative and political objective. Social Security should be paid for by doubling the employer's costs and shifting the workers' share to the general revenues of the government. The government's share would be more than made-up by eliminating all offensive weapons systems from the Pentagon's budget.

The relative costs of health and pension programs are approximately the same as in the Social Security example we have illustrated. However, since health and pension programs are charged to the total wage package, the worker again gets fleeced. For example, if the package is charged 25¢ per hour for fringes, the real net cost to the company is 12¢.



UAW L. 1250 'VOICE OF THE RANK AND FILE'

Taxes and inflation

A worker earning \$15,000 in 1974 is earning less than a worker was earning in 1966 when he was making only \$10,000. In eight years he received a 50% raise and still has less than he started with. Why?

Higher taxes, inflation, soaring federal budgets and huge deficits put today's \$15,000 wage-earner through a wringer that leaves him with \$159 less in purchasing power than he had eight years ago.

Take the average family of four making \$10,000 in 1966. The federal income tax came to \$1,013. In 1974 he made \$15,000 and his taxes are now \$1,685. Social Security tax increased from \$277 to \$772. State income tax, on the average, went from \$78 in 1966 to \$257 in 1974. The total of income and payroll taxes are more than \$1,300 greater than in 1966, and this does not include city and county taxes that we now pay.

Taxes have reduced that \$5,000 increase to \$3,654. Look at what inflation has done to the remaining take-home pay. In the past eight years the dollar has lost nearly 45% of its purchasing power. In terms of 1966 dollars, today's after-tax, take-home pay of \$12,286 equals only \$8,473, or \$159 less than the take-home pay of \$8,632 in 1966.

This shows you that your income had to go up more than 50% in the past eight years just to keep up with inflation and taxes.

At this coming convention, we must make the UAW leadership aware of this.

Hard times for auto workers (cont. from p. 2)

time. Many rank and file UAW members are insisting that the union take steps to insure that the companies pay extra money into the SUB fund to deal with its growing depletion.

The "Big Three" auto companies, Ford, Chrysler and General Motors reported a total profit of \$244 million during the first three months of 1974.



The stagnation in the auto industry will have a "ripple" effect upon other parts of the nation's economy. Declines in total auto production will eventually bring about a decline in steel production. The switch to smaller cars, which use about 500 pounds less steel, will also cut into steel production. The chain continues into those areas that make tires, plastics and other component parts for autos.

Part of the problems facing auto workers is that the UAW hasn't taken a militant enough stand in fighting to maintain the economic conditions of its members. Across

the ocean, British coal miners took on a Nixon-like wage policy and won significant increases--and toppled an anti-labor government to boot. Japanese workers have won wage increases of 30 percent this year, on top of increases that, despite inflation there, raised their real income a good 30 percent since 1970.

The economic conditions of auto workers will improve when the economic conditions of all U.S. workers start to improve.

This means that the UAW ought to take the lead in fighting for measures to reverse the disastrous economic policies of the Nixon administration, halt inflation and provide decent-paying jobs for all who want to work.

But, most importantly, the UAW should move for an immediate re-opener in the contract, as suggested by the Auto Workers Action Caucus, to provide across-the-board wage increases. Real steps are needed to provide shorter hours at the same pay, to provide jobs for the unemployed and take some of the strain of increased speed-up off the backs of those in the plants.

The slogan "30 for 40", that is, 30 hours' work for 40 hours' pay, is not new to auto workers. But in these inflation-racked times, some auto workers have suggested only half tongue-in-cheek that the slogan be changed to "30 for 54."

MULTINATIONALS PROFIT FROM APARTHEID

South African coal endangers all miners

by LABOR TODAY STAFF

Coal, mined under slave-labor conditions in racist South Africa, may soon be stoking the boilers of U.S. electrical companies, if current purchasing deals pan out.

The South African coal is low in sulphur and is suited primarily as a steam coal for producing electricity. Its import into the U.S. helps strengthen the Apartheid (racist) regime in South Africa and poses a threat to U.S. miners.

Some of the deals currently in the works include:

The Southern Coal Company, a supplier of electrical power to much of Alabama, Georgia, Mississippi and Florida, has contracted 500,000 tons of South African coal in 1974. First deliveries are expected to arrive at Mobile, Alabama in late May and will be burned at generating plants in Pensacola and Panama City, Florida.

Consolidation Coal is negotiating to buy an undetermined amount of South African coal reserves and, failing that, Consol is dickering to take over a South African company to help guarantee long-term supplies of cheap coal.

A BREAK FOR UTILITY COMPANIES
South African coal is uniformly low in sulphur, a plus in this period of tighter emission standards. These large import deals offer two breaks to the utility companies by allowing the industry to get off the hook in making investments in pollution-control devices, and by avoiding expansion of the mining industry in the U.S.

More than that, it lends increased U.S. financial support to the Apartheid policies of the South African government at a time when much of the U.S. labor movement is pressing hard for withdrawal of all such support.

S. AFRICAN COAL INDUSTRY EXPANDING FAST

Production and export of South African coal has grown rapidly in the last five or six years and exports to other countries are rising at a rate of 13%. Present South African coal production is 42 million tons a year: equal to Illinois, the U.S.'s fourth largest coal-producing state.

SUPPORT FROM APARTHEID GOVERNMENT

In 1969, a West German utility company signed the first major coal export deal with South Africa. Today, long-term contracts guarantee 400,000 tons to West Germany and more than 30 million tons are slated for Japan over a 13-year period beginning in 1976.

GOVERNMENT EXPANDS TRANSPORT

To handle this sudden expansion, the South African government has begun massive repair and expansion of rail and port facilities, just as the U.S. government has subsidized private concerns here. The facilities will provide capacity for



African workers recruited for labor in South Africa are subjected to finger printing for pass books.

super-ships that can haul more coal than any now afloat.

SCAB COAL IS CHEAP

South African coal costs \$1.95 a ton at the mine, compared to a U.S. cost of \$7.65. The principal reason for this is that Blacks, who form the vast majority of miners, are forced to work without the protection of union collective bargaining agreements. They are paid rock-bottom wages, averaging less than 1/20th the wages paid whites working in the industry. The government forbids collective bargaining with any union which includes Blacks among its members.

Nowhere in the world are the conditions confronting working men and women as grim as those in South Africa, where 15 million Blacks do the work and 5 million Europeans control them.

INHUMAN CONDITIONS

Blacks may not refuse work and are, with an average monthly per capita income of \$66, quite literally, conscript labor. They cannot vote and are required to carry "passes" with them everywhere they go. The slightest infraction of a rule brings deportation to so-called "homeland" areas.

Blacks, who are barred from collective bargaining, still support the banned South African Council of Trade Unions (SACTU), which permits all races to join.

The labor attitude of the South African government was summed up in 1972 by the Labor Minister who said that the Black worker was "still too immature to be able to fit himself into the legal framework of the trade union movement and wage negotiations procedures." (Ironically, Business Week quotes an unnamed U.S. coal executive as saying of United Mine Workers President Arnold Miller: "You're dealing with great immaturity here. They don't know the first thing about labor-management relations, and that's frightening.")

MURDER IN THE MINES

South African statistics hide the wholesale maiming and murder that is the day-to-day lot of African miners. But no cover-up could hide the wholesale murder in 1960 of 437 miners by a world record

roof-fall of more than one square mile. Nor could the methane explosion that snuffed out the lives of 427 miners in neighboring Rhodesia escape the outrage of workers throughout the world.

The slaughter continues: the Miners International Federation (ICFTU) charges that ten coal miners perished in methane explosions in the first quarter of 1974 and that South African gold mines claimed 546 victims in 1971.

RESISTANCE MEETS WITH FORCE

It should come as no surprise to rank and file activists that there have been South African miners who have refused to submit to these conditions. In 1971, more than 13,000 miners organized actions that brought some improvement in conditions. Most attempts to improve their situations have been met with armed force.

U.S. multinational corporations such as the Anglo-American Corporation of South Africa (interlocked with Morgan Guaranteed Trust) and Newmont Mining (linked with Continental Oil, parent company of Consolidation Coal) are among those corporations who reap burdensome profits from miners everywhere--from West Virginia to South Africa.

WHAT WE CAN DO

Rank and filers should join with U.S. miners to call attention to this situation. One way to aid the South African miners would be to:

JOIN forces with other organizations concerned with South Africa: unions (ICFTU, WFTU), church-sponsored groups (The American Committee on Africa), and anti-imperialist groups such as the Committee for Anti-Imperialist Solidarity with Africa.

WARN Consolidation Coal and other U.S. companies that involvement in South Africa is at odds with their professed commitment to the development of our own coal industry.

PERSUADE Congress to investigate corporate activity in South Africa and act to curb corporate ties that strengthen Apartheid.

PUBLICIZE the racist, inhuman practices of the South African government and urge a genuine international boycott of South African goods until these racist policies cease.

Anyone disobeying these laws will be imprisoned, fined, and/or whipped:

All Africans over the age of 16 must produce a passbook on demand by a policeman.

Under no circumstances may an employer pay Africans the same rates as white persons even if they do the same work and work the same hours.

No African may strike for any reason whatsoever.

Any African who takes a job outside his town, even if he has lived there for 20 years, must leave that town within 72 hours.

Unless they have obtained a special permit to do so, a white person and a non-white person may not under any circumstances drink a cup of tea together in a cafe.

No white person may have sexual relations with an African, Coloured or Indian person. And vice versa.

No African may attend a churchday party if the number attending could make the gathering undesirable.

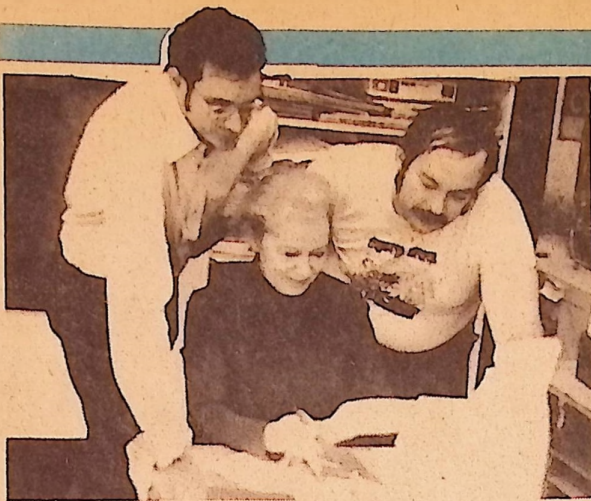
An African in an urban area who is out of work must take work offered to him by the Bantu Affairs Commissioner or be removed from the area.

No African may buy land, or own property, anywhere in the Republic.

Under no circumstances may a non-white person use facilities set aside for the use of white persons.

No white man may teach an African servant to read.

By order of the South African Ministry of Justice.



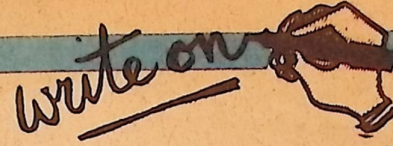
Goodbye Adelaide, hello Jim! NEW CO-EDITOR FOR LT

With this issue, LABOR TODAY welcomes Jim Williams, a 14-year veteran of the labor movement, as Co-Editor. He replaces Adelaide Bean, who is returning to New York, where she will be using her experience at LT to strengthen the artistic expression of our struggles.

Jim Williams has been a labor editor and union organizer for unions including IUE, The Newspaper Guild, the West Virginia AFL-CIO and the National Education Association. He has held elective and appointive union posts, from steward, executive board member and chairman, to his latest position as one of NEA's most successful organizers.

A native of Kentucky, he has worked in Appalachia, the mid-south, New York and Washington, D.C., where he was a delegate to the Central Labor Council.

We wish Adelaide all the best! And we are excited to welcome Jim, who has already proved by his work on this and the previous issue of LT that he is uniquely qualified to carry on and forward!



ENA IN "CAPTIVE MINES"?

To the Editors:

I would like to suggest that LABOR TODAY do an article about the "captive" coal mines that the steel companies own.

What is their share of coal production from the U.S.? Do they import any coal from other nations? Just how much of the coal industry is owned by those banks which own the steel industry?

My fear is that the steel industry would like to impose an ENA--no strike, compulsory arbitration-type--of settlement on the workers in those mines.

Mining is the last of the basic industries to come up for negotiation this year. The results of the UMWA negotiations will be felt all through the labor movement. Will the miners be able to reverse the trend of declining living and working standards that all workers are now enduring.

Given the renewed interest in soft coal, the miners are probably in the best bargaining position they've been in for years. At the same time, and for the same reasons, industry and government may be inclined to be more recalcitrant. Coal is almost entirely owned by oil companies these days.

LABOR TODAY readers must work to see that the energy crisis works for the miners and not against them.

Ed Bontempo
AFT L. 189
Wheaton, Md.

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