The Detroit correspondent of the US Worker tells of coming struggles on the wages front, and some new features of those struggles.

THERE'S A NEW KIND of struggle note sounding off in the ranks of American labor on the eve of negotiations for close to 4,000,000 workers in 1967. "Substantial wage increases" is what you hear, along with no wage freezes; instead, wage re-openers after one year. Warmade inflation and higher profit making are being pointed to in union meetings as new factors in boosting these demands.

Negotiating in '67, will be a million teamsters, a million auto workers, thousands in maritime, railroads, telephone. A million steel workers whose wages are frozen until '68 are champing at the bit to break loose from that freeze and go get a piece of those steel profits.

Half a million workers employed in national, state and city governments, always tied to whatever crumbs politicians will give them, today are walking picket lines, taking strike votes, and are shaking up the city hall, state capitals and Washington. They want at least $2.80 an hour instead of $1.50.

United Auto Workers' Union president, Walter Reuther, always thought to be a pacesetter in labor negotiations, in Long Beach, California, last June at his union convention told the 3,000 delegates he favored "an annual salary". It fell flatter than a pancake and now Reuther is talking of a "substantial wage increase". He will convene 3,000 delegates from his 900 locals in April here in Detroit to finalise the 1967 demands. Negotiations will be with the auto tycoons General Motors, Ford, Chrysler and the dying American Motor Company. The Big Three of auto may reach $2 billion in profits again this year, though sales of the '67 cars are sluggish. A constant rising cost of living
caused by war inflation, soaring profits, small wage increases, or frozen wages, as well as thousands going to war training has cut into sales.

At the UAW “economic” conference next April, a companion piece of negotiations for Reuther to win along with the “substantial wage increase” will be better working conditions, especially curbs on speedup which is reckoned to increase about 25% each model year.

Gradually being opposed are long term contracts, like the UAW’s three year one with the auto corporations. With the ever rising cost of living, 3.5% from June, 1965, to June, 1966, the workers want the contracts short (one year) and with the right to re-open for wage increases. While the UAW remains one of the few unions to retain a cost of living escalator clause, which has netted them 13c an hour since 1964, the workers say it’s not enough. US News and World Report stated recently that every time the cost of living goes up 1% in the US it takes $52 a year out of the pockets of the consumers. Cost of living in the US, according to the US Department of Labor, has risen about 13% in the last ten years.

Fear of a recession haunts the auto towns of the US and Canada: already over one million unsold 1967 and 1966 cars are in the stockpile. Only a facelift on the ’67 new models took place, because this is contract renewal time and the companies don’t mind a stockpile. It’s a tactic to plead “no sales, lower profits”, while they sink unreported millions into plants overseas. They will also manipulate their profits to show a sharp decrease from the $2 billion (net) they sweated out of the workers in ’65.

This way they hope for a “cheap” settlement, a three year no wage re-opener contract, with some crumbs in the way of pensions, and some medical care improvements. Where they will battle down to the mat will be on improving working conditions, curbing the murderous speedup—because that’s where the giant profits mainly come from.

Many wise workers, with some political understanding of economics, are advancing the need for a shorter work week with no cuts in pay, as one way to prevent the threatening layoffs, when the stockpile of unsold cars becomes the excuse for short work with corresponding cuts in pay, or layoffs.

A new factor, stepping up the traditional militancy of the auto workers is the fact that 60% of the UAW’s one and a half million members have less than five years seniority in the plant.
Right now they bear the brunt of the brutal and inhuman working conditions.

Any decline for the auto market here in the US and Canada finds the competition for the remaining market fiercer than ever, with the full burden for protecting the enormous profits of past years put on the backs, especially of these young workers, Negro and white. It's done by increased speedup, automation and threats to lay them off if they don't "cut the mustard" (keep up the pace).

Also the economic squeeze in foreign markets is compelling many firms to set their eyes on a greater share of the American market in 1967, which will create new problems for the auto workers here.

The Canadian Parliament was in an uproar recently when Studebaker of Canada imported thousands of Volkswagens from Germany duty free and resold to Volkswagen of Canada. The Canadian Government was shortchanged $2 million by means of the tax evasion.

_Automotive News_, a manufacturers' sheet here reports German Opel (General Motors owned) will ship 40,000 Kadett cars to the U.S. Production at the plant is accelerating rapidly said the News.

Opel management reports they have produced 4,000,000 cars in four years and over 50% of its production is being exported to 120 countries. GM is building an assembly plant in Antwerp, Belgium, to help assemble the Kadetts. Some $325 million has just been spent by GM to improve its Opel plant (GM reports a drop of 62% in its third quarter profits of 1966—export of capital is likely where it went). Ford and Chrysler all report drops in profits for the third quarter, 1966, but with new plants being built by all of them in scores of countries, it's not hard to figure where the money "dropped".

To tackle this matter, UAW president Reuther has set up World Auto Councils with headquarters in Geneva, Switzerland, and talks about winning a minimum world wage in auto.

The Big Three of American auto of course are taking care of "dropping profits" in their own way—they upped car prices an average of $56. President Johnson who decrises "inflationary wage raises", murmured something about a Congressional check into higher car prices. Nobody figures this will happen.

A special problem that merits the most serious consideration and action in all labor contract renewals is the need for the upgrading of Negroes into the skilled trades. Despite Federal,
State and city laws, and Fair Employment Practices clauses in union contracts with employers, the facts are discrimination is rampant in upgrading, promotions, and giving Negroes a chance to get out of the killing foundry jobs. All the hot, hard, dirty jobs are still predominantly the only jobs the Negro workers can get.

The other great union preparing for 1967 wage and contracts talks is the independent union, The International Brotherhood of Teamsters. They have 1.7 million members and their first 1967 negotiations cover 450,000 truck drivers working for some 10,000 owners. President James R. Hoffa, facing two jail terms for alleged "jury-tampering" and other government charged "crimes", is proposing a three year contract with a 5% a year annual gain, which would come to over 30c an hour.

He spoke on something many American labor leaders are concerned with; growth of employer resistance, banding together of employers to beat down the unions. In the recent negotiations with General Electric, 11 unions banded together, called into a united front by action of the Industrial Union Department of the AFL-CIO*, and negotiated from a new position of strength.

Hoffa has said he would like to call together teamsters, auto, railroad, maritime, and other unions to present a similar united front before employers in the 1967 negotiations.

Hoffa calls inflation the workers' big problem here. In bitter tones he speaks of the fact that the US has a $60 billion war budget and spends $2 billion a month in Vietnam. He blames the war for inflation. "I call for peacetime preparations when this war ends, and we all hope it ends soon. We need to prepare for building schools, houses, roads hospitals—that's what we need," he says.

Hoffa said the trucking industry of America can well afford a 5% annual wage increase, which would bring long haul drivers an additional 0.5 cents a mile on the 11.25 cents a mile now paid. Local cartage drivers and non-drivers (warehousemen) who are paid by the hour, would receive between 15c and 17c an hour annually beyond their present rates of $3.10 to $3.50 an hour. On pensions which are $250 a month at 57 years of age, after 20 years in the industry, Hoffa wants employers to put an additional $5 a week over a three year period into the pension fund. They put in $8 a week now. It means an undisclosed pension raise. He

*American Federation of Labor—Congress of Industrial Organisations; the nearest US equivalent of the Australian Council of Trade Unions.—Ed.
also wants continued a cost of living escalator clause. Talks begin early January.

Hoffa said also that his union will continue to spend $10,000 a month to help organise farm workers in the US. He said he could not at present foresee any merger between his union and the two Longshore unions, the one that Australian-born Harry Bridges heads on the West Coast and Tommy Gleason’s union on the East and Gulf ports. It’s reported a merger of Longshore is under way, fathered by Hoffa. The Mine, Mill and Smelter Workers’ Union is preparing to go into the United Steel Workers’ Union.

Some 17,000 telephone workers here in Detroit voted down a contract offering them $3.50 a week raise as insufficient. Also they don’t want any three year contracts, as was negotiated by Joe Heirne, their president, often talked of as AFL-CIO president George Meany’s prospective successor.

Grumbling is taking place in some steel locals because no wage re-openers exist until 1968, also because the steel workers gave up their cost of living escalator clause in the last 1965 negotiations. A smash through by the Teamsters of a 5% raise will set the pace for auto, steel, telephone, maritime, and others. Hoffa usually gets what he sets out to win. A new wind is blowing.

The Building Trades started much of this off on May Day when they went out for 75c an hour increase spread over two year contracts and won it. This burst the 3.2% wage freeze of the Johnson Administration, now they are all “going for the fences” as they say.

The idea of “class partnership” advocated by George Meany, AFL-CIO president, still exists among many top labor leaders, but important differences do exist and so do some significant departures, as related above, especially amongst lower levels of leadership.

The year 1967, from where we sit, looks like waves of struggles rising which could reach new heights in the fight for security, for peace, for equal rights for Negroes, for jobs for millions of American youth, and wash away some more of “class partnership”. But with few exceptions American labor leadership still remains silent on the fight for peace, following George Meany’s backing of LBJ’s war policy, shaped by Meany’s “foreign minister” Jay Lovestone. When LBJ said the General Electric workers here shouldn’t strike because GE was making “strategic” war materials, the workers struck anyway. The year 1967, we predict, will see more of that.