

Labor Is On the Job For Victory

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The Charlotte Labor Journal

Endorsed by the N. C. State Federation of Labor

AND DIXIE FARM NEWS

Official Organ of Central Labor Union; Standing for the A. F. L.

12 YEARS OF CONSTRUCTIVE SERVICE TO NORTH CAROLINA READERS

VOL. XIII—No. 15

YOUR ADVERTISEMENT IN THE JOURNAL IS A GOOD INVESTMENT

CHARLOTTE, N. C., THURSDAY, AUGUST 26, 1943

JOURNAL ADVERTISERS DESERVE CONSIDERATION OF THE READERS

\$2.00 Per Year

TELL YOUR CONGRESSMAN THE FACTS—IT IS LABOR'S IMPORTANT RESPONSIBILITY

Every union member has an important responsibility this month: To tell his Congressmen, both Senators and Representatives, that he wants democracy preserved on the home front. Congress alone can preserve it. Congressmen have recessed so they could go home and learn what the country wants. They depend on you to tell that what Labor wants, says the A. F. of L. Monthly Survey.

There are critical happenings on all fronts this month with Mussolini deposed, reports that Hitler has been superseded by a military government in Germany, the Allies threatening Italy, bombings in Germany cutting German war production by 24%, and Japan now reduced to a defensive position; progress on our military front is ahead of schedule. On the home front, however, serious dangers threaten, and it will be a first duty of Congress this fall to see that these dangers are averted and democracy preserved. Congress must maintain individual liberty on the home front. We owe it to the boys on the fighting front to maintain here what they fight for over there.

Congressmen should be given these points: (1) Social Security. The Wagner-Dingell-Murray Bill should be passed as soon as possible. War workers as well as soldiers must be protected in the post-war unemployment period. (2) Cost of living is rising, particularly cost of food while wages are frozen. By official figures, the rise since January 1, 1941, is 24 per cent (since August 1939—26 per cent), while wages are held to a 15 per cent increase. The A. F. of L. Executive Council states: "Unless prices are cut back to September 1942 levels labor will have no other recourse but to insist upon an up-to-date revision of the Little Steel formula by the War Labor Board."

(3) Labor has gained less during the war period than other groups. Misleading publicity has obscured this fact. Profits of all corporations from 1939 to 1942 increased 253 per cent before taxes and 68 per cent after taxes, and profits after taxes this year are running 18 per cent above last year. (4) A National Service Act is again being urged to establish compulsory labor. This drastic step toward fascism is not needed. (See Manpower below.) (5) A sales tax is being discussed, which would lay the burden of taxation more heavily on labor than any other group. Such a step is not necessary; corporation profits and high incomes should bear their rightful share. A sales tax would be unfair to workers who already bear a huge burden in their 20 per cent tax (after deductions) added to voluntary bond purchase payments. (6) Smith-Connally Bill. Register your opposition. This ill-considered law actually encourages strikes, which had been outlawed by organized labor. It also encourages raiding of one union by another.

War Production: It's Our Job
War production is a union achievement, for the job is 85 per cent union. Joseph Keenan, WPB Labor Vice Chairman for Production, states that 85 per cent of war workers are under union agreement; on the railroads about 100 per cent. Union members have worked and lived under the hardest kind of housing and transportation conditions, had our frozen wages cut away by price rises, worked long hours at driving speed. But we have delivered the goods. Munitions production in June was 3 per cent above May and nearly double the June 1942 volume.

War production is a union responsibility. We cannot let the boys down at the front. We must give them the fighting tools to win this war in the shortest possible time.

War production is not increasing fast enough. Because our military advance is far ahead of schedule, the production program has to be stepped up. Munitions output must increase 40 per cent by next winter, even though employment gains of only 10 to 15 per cent can be expected. We must increase productivity. Production fell behind the scheduled increase by \$300,000,000 worth of fighting goods in July.

Management, unions and the War production Board must get at the causes of this lag and correct them. Some of the causes are: Inefficient management in airplane plants, shipyards, other plants; production change-over to make more long-range bombers; manpower shortages; bad distribution of materials with leaks of scarce metals to non-essential industries; faulty handling of the program in the War Production Board; contracts cancelled because of changing war needs, causing time-consuming change-over in production plants.

Manpower Problems
Manpower shortages and high labor turnover in west coast airplane factories, disappearance of workers from the lumber industry and metal mines and of women workers from war production plants—these manpower problems are delaying production of heavy bombers and other most vital war equipment for the attack we must now press with redoubled vigor on the Axis if the war is not to be drawn out to great length with huge loss of life. Those who would stifle labor are using this problem as an excuse to urge a National Service Act establishing compulsory labor. This is not the answer. The remedy is to get at the causes of this trouble by joint action of management, labor and the government.

The wage rate has always repre-

UNIONS TO JOIN IN CAMPAIGN TO GET OUT FULL LABOR VOTE; FOLLOW NON-PARTISAN POLICY

CHICAGO, Ill.—The American Federation of Labor launched a nation-wide political drive to elect members of Congress in 1944 who are friendly to labor's cause. President William Green announced that the Executive Council had authorized a concerted campaign to get out the labor vote in every city. Instructions will be sent to all affiliated unions, including city central bodies and State Federations, to see to it that all AFL members register in accordance with local laws so that they may be eligible to vote. Likewise, local campaign committee will be under orders to follow up on the membership and make certain they go to the polls on election day. Mr. Green emphasized that the Executive Council had reaffirmed the Federation's traditional non-partisan political policy. This provides for the election of labor's friends and the defeat of its enemies, regardless of their political affiliations. Also, the Federation will endorse no national political party or ticket.

A national, non-partisan political committee will be set up in Washington to check the records of all candidates for public office and to decide whether the AFL will endorse or oppose them in accordance with their attitude on labor questions.

This committee will be composed of President Green, Secretary-Treasurer George Meany and the legislative representatives of the AFL staff.

Mr. Green disclosed that the Executive Council had rejected a bid by the CIO political committee headed by Sidney Hillman for joint action. He said the Council had decided that the Federation Committee should not become entangled with committees representing other organizations.

"We could not afford to jeopardize the success of our own non-partisan political policy by getting mixed up with other organizations not representing the AFL and not guided by its principles," Mr. Green said.

He pointed out that in many cases, both the AFL and the CIO may oppose the same candidate for Congress because of his bad voting record. In other cases, however, there may be a difference of opinion and the AFL will act in accordance with its own judgment, rather than permit itself to be swayed by other considerations.

DEATH PENALTY IS SOUGHT IN WAR FRAUD CASES BY REP. HOBBS, OF ALABAMA

WASHINGTON.—Representative Hobbs, Democrat, Alabama, declared last week that any person wilfully delivering defective materials to the armed forces is guilty of "treason," and he predicted Congress would enact the death penalty for such a crime.

The Alabamian, member of the judiciary committee, said the War and Justice Departments had approved his bill, which would write the extreme penalty into the sabotage act of the first World War.

"I cannot think of a more treasonable act," he said, "than a person or concern, for private gain, producing and delivering inferior materials, which might cost the lives of many of our boys and endanger the success of military operations."

So far-reaching is the Hobbs bill that it would hold stockholders accountable, under certain circumstances, where an offense is committed by a company.

"That should make the stockholders more careful in the selection of directors," he said.

Under present law the maximum penalty on a war frauds conviction is two years imprisonment and \$10,000 fine, and the severest punishment under the sabotage law is 30 years, except where there is a military trial with the death penalty permissible.

Tom Clark, assistant attorney general, said there now are 13 war frauds cases pending in the Justice Department, and that four or five of these involve charges of wilful delivery of defective material to the armed forces. The Department already has prosecuted 43 frauds cases, with 39 convictions and four acquittals, he said.

Hobbs' bill would provide fines up to \$1,000,000 in addition to imprisonment or death.

Launching of the machinery for the 1944 political campaigns climaxed a long series of important actions by the Executive Council during its mid-summer session, outstanding among which were:

Demands for a post-war economic program that will provide jobs for ex-soldiers and workers now engaged in war industries. Support of the President's demobilization protection plans for war veterans, plus a pledge that AFL unions will safeguard their seniority rights and do everything possible to facilitate their return to jobs in private industry. A call for prompt repeal

(Continued on Page Four)

A message from the United States Treasury about

★ YOUR WARTIME TAX DOLLARS ★

THE American people have accepted the highest tax bill in the history of the country with splendid patriotism and cheerfulness. The Treasury Department of the United States feels that an explanation is due them in turn—feels that they deserve to be told why, when and how their tax dollars are vital to winning this war and the peace that will follow.

As a taxpayer, consider these facts:

Our government is currently spending 240 million dollars each day, almost all of it on war, and this figure will increase materially as the war continues. About a third of that amount is being raised through taxes. Those tax dollars are as necessary for weapons with which to defeat our enemies as are dollars raised through the sale of WAR BONDS. Hence, when you pay taxes today you are definitely and directly contributing to victory.

And, at the same time, your taxes actually help to maintain your own purchasing power now—and prevent disaster to your country after the war. Here's how:

Billions of Dangerous Dollars

Every time your cost of living advances, you are paying a tax on your income. If your cost of living should double, you would pay a tax of 50% on your salary, wages or other income. But it would be a tax that wouldn't benefit our fighting forces, our government or anyone else—except Hitler and Hirohito.

Now—to prevent such a concealed tax on your income from taking place—isn't it good sense as well as sound patriotism to pay your government taxes of 20% on part of your total income—or more, if necessary?

And your taxes do help prevent just such a price rise! How? By taking part of the billions of dangerous dollars which otherwise threaten your living standard and putting them to useful work, winning the war. Those billions of dangerous dollars, you know, represent the difference between the income the American people will receive this year and the amount of civilian goods that will be made in the same twelve months. If taxes were lower, prices would tend to rise, and our real income would be reduced by just that much.

Keeping the America He Knew

There's another reason why your high taxes help your country in wartime—and really a much more important one to you. Your tax money is helping to win the war now—but it's equally essential to winning the peace and keeping the America that boy knew before he went into the armed forces.

All the industrial power, all the inventive genius and productive capacity of this country would not bring back a busy, prosperous America that we know if a drastic deflation followed victory. And, as surely as the sun that rises in the morning will set at night, a deflation would follow an inflation brought about by failure to tax ourselves realistically now.

So, next time that tax burden seems heavy to you—think of these facts. Remember that your tax dollars are helping to pay for victory now—that they are in there fighting for your living standard now—and that they are working to keep our country's financial structure sound for that boy now in the armed service, for all your family, and for you in the years of peace to come.

SOME QUESTIONS AND ANSWERS ABOUT YOUR TAX BILL

Q. How much of my federal tax payments is being spent on war and how much on so-called "normal" expenditures?

A. About 96% of your tax payments are currently going to pay for direct war expenditures. Only one dollar in every twenty-two you pay, therefore, goes for all other federal expenses, most of which are indirectly to aid the war effort.

Q. How much of the total war bill is being paid currently out of taxes?

A. A little over one-third.

Q. Is this proportion higher or lower than in England and Canada?

A. Lower. Both Canada and Great Britain are paying approximately half of their war expenses through taxation.

Q. Is there any way other than taxes and war bonds by which the government could finance our share of the war?

A. There is. The government could borrow from the commercial banks,

which would put even greater spending power in the hands of the people—thus creating a basis for inflation.

Q. Is there any other advantage in financing as large a share of the war bill as possible through taxes?

A. Yes—and a very real one to you, the taxpayer. All the bills for the cost of the war must be paid sooner or later through taxation, but if paid currently, from taxes, there will be no interest charge to mount over the years and provide an extra burden for you to carry.

Q. So far, so good. But don't you think taxation is unfair in the way it distributes the burden for all this?

A. On the contrary, and we believe you will agree if you think it through, that taxes are the fairest, most equitable way to pay for the war. That's because Federal Income taxes are levied on ability to pay for something that all of us need and must have—victory now, a sound America later.

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