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AFL Urges Retention Of Rent Control

Washington, D. C.—The American Federation of Labor called for the extension of rent control until June 30, 1949, and the strengthening of the existing law to make rent control more effective and fully enforceable.

In testimony before the Senate Banking Committee, Boris Shishkin, AFL economist, emphasized the importance of the rent item in the family budget, especially among the low-income groups, and warned that the expiration of control on February 29 would mean a sharp increase in living costs.

In addition to calling for the extension of controls, Shishkin recommended that no more increases of the "voluntary" type be permitted; that protection against eviction be strengthened; that a direct enforcement system be set up giving the Housing Expediter power to secure compliance with the law; that controls be continued on dwellings due for decontrol under the terms of the existing law; and that local rent boards be reconstituted to perform advisory functions only, with final power left in the hands of the Housing Expediter.

Reviewing the experience under the Housing and Rent Act of 1947, Mr. Shiskin declared:

"Figures of the Bureau of Labor Statistics show that from 1939 to June, 1947, rents rose less than 4.7 per cent. This indicates that since the establishment of rent ceilings in rent control areas in 1943 until the summer of 1947 and until the modification of the original rent control law took effect, rents remained fairly stable. The index shows, however, that from June, 1947 to November, 1947, in the short space of five months, rents rose on the average of 5½ per cent, or more than they had in the previous 8 years.

"This last sharp increase was caused by the weaknesses embodied in the rent control law amendments of 1947. Not only did this law greatly weaken the enforcement of rent control ceilings and provided for decontrol of certain types of units, but it also permitted so-called 'voluntary' increases in rents up to 15 per cent whenever a lease was signed by the landlord and the tenant to run until December, 1948.

"Actually, the average rents throughout the country have gone up more than is shown by the BLS index. This is due to three reasons: (1) No newly constructed rental units have been included in the index since June. 1947. Yet the new units, de-controlled by the 1947 law, were made available at rents almost 70 per cent above the rents on comparable existing dwellings.

"(2) The index does not take full account of the rent increases resulting from the turnover of

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Taft-Hartley Law Exposed!

By J. ALBERT WOLL and HERBERT S. THATCHER
(Members of the law firm of Padway, Woll, Thatcher, Glenn and Wilson, serving as general counsel for the American Federation of Labor)

This is the seventh of a series of articles to be published by the AFL Weekly News Service in refutation of an article appearing in the Saturday Evening Post which praised the Taft-Hartley law to the skies. Author of the Post article was J. Mack Swigert, law partner of Senator Robert A. Taft—enough said:

NO. 7—THE "SO-CALLED 14 PRIVILEGES" OF THE TAFT-HARTLEY LAW—(Continued)

11. "A Look at the Books"

The article rejoices in the fact that "For the first time in history, unions are required by federal law to supply . . . their own members with detailed information about union finances." The article neglects to state that for many, many years the constitutions and by-laws of over 95 per cent of existing labor organizations have required periodic financial statements to be submitted to the membership, and that almost all International Unions and the American Federation of Labor itself submits such information in the form of printed statements set forth in official publications.

Here, again we see a privilege which has already been realized by union members throughout the country. If there are any organizations which do not make such disclosures, certainly the American Federation of Labor has no objections to a law requiring the filing of financial statements, but the danger inherent in any such requirement as a condition of operation is that the requirement might easily be converted into a licensing requirement. This would that labor organizations could exist only at the pleasure of the state or other governmental body issuing the license.

The trade union movement in its day-to-day operation involves the exercise of the civil liberties of assembly and speech, liberties which the Supreme Court has constantly reiterated can be freely enjoyed wihout a license from government.

12. "Exemption Prom Personal Liability"

The "Post" article plays up the fact that under the provision making unions liable for breaches of contract, individual members are exempt from personal liability for damages arising because of such breach. Damages can be levied agains the union treasury only. While this is a benefit which possibly may not have existed before (although even this is doubtful, since the new Rules of Federal Procedure made effective long prior to the Taft-Hartley Act permitted suits against labor organizations as entities), the article neglects to state the implicaions of the section of the act which makes it extremely easy to sue unions in the federal courts for breaches of contract.

Congress has thereby directly encouraged resort to the courts rather than resort to the bargaining table as a means for settling differences arising over the interpretation or the application or the enforcement of existing agreements. This encouragement fails to recognize that collective bargaining agreements differ greatly from the ordinary commercial agreement not only because of the human relationships involved in the former but because of the fact that both parties to the collective agreement must continue to live together regardless of who may win out in any lawsuit. It is for this reason that breaches or claimed breaches of union agreements are far better disposed of at the bargaining table than in a court of law.

It is not difficult to imagine the repercussions upon our economy if uninos choose to invoke this provision in the settlement of their claimed grievances, because each and every grievance involves a breach of contract under which the union would be entitled to sue.

Further, the article does not mention how union treasuries may be depleted under another section of the act which enlarges the definition of "agency" to make the union liable for the acts of alleged agents even though such acts were neither authorized nor ratified by the union.

Any democratic union necessarily has many so-called "agents," such as committee chairmen, stewards, trustees and others of lesser statute than elected officers. Yet, if any of these agents participate in a wild-cat strike or breach of contract, the entire assets of the union might be taken in payment of damages for such action. These provisions are all the more reprehensible in view of the fact that, while unions may be subjected to law suits for wild-cat strikes, they are prevented from disciplining members engaging in wild-cat strikes through invocation of the union-shop clause against them.

This enlargement of the definition of "agency" is directly contrary to the policy of Congress under the Norris-La-Guardia Act whereunder specific proof was required that alleged acts were actually authorized or ratified before the union could be held liable

COUNCIL URGES FULL BI-PARTISAN SUPPORT FOR EUROPEAN AID PLAN

THINKS THE MARSHALL PLAN IS THE MOST VITAL MATTER BEFORE CONGRESS

Miami.—Warning that American foreign policy must not waver or weaken in the face of Soviet Russia's hostile actions, the AFL Executive Council called upon Congress to vote full, bi-partisan support of the Marshall Plan.

The Executive Council declared that America must give the world assurance that it will remain firm, united and unshakeable in defense of world peace and human freedom, regardless of the outcome of the 1948 elections.

AFL President William Green told newspapermen at a press conference that the Executive Council had given first consideration to the Marshall Plan at the current mid-winer session because it considered the European recovery program the most important matter now pending before Congress.

Mr. Green said the council in the next few days will proceed to give consideration to many other major problems, such as inflation, housing, social justice legislation, national defense and the formulation of a political program to bring about the repeal of the Taft-Hartley Act.

The council statement emphasized the need to stimulate the development of the European trade union movements and to gain their whole-hearted participation in the Marshall Plan. To this end the council proposed that an advisory council composed of labor and government representatives be appoined to consult with the federal agency which will administer the plan. The declaration said:

"The American Federation of Labor has maintained close fraternal relationships with the free trade union movements of Europe. We know from personal contact that these free trade union movements can be mobilized into a powerful force for constructive collaboration with the recovery program. That kind of co-operation is vital and invaluable in such an undertaking. It cannot be obatined by official represenatives of the State Department operating at high diplomatic levels. We trust that we will be given this opportunity to be of service."

The council declared that the United States had led the way in establishing the United Nations and in promoting a general understanding for international peace, but that Russia had "checkmated" our efforts at every turn.

Calling for widspread and united support for the foreign aid program, the AFL leaders warned that Russia will continue its opposition to the Marshall Plan since its aims will be better suited by an economically poor and prostrate Europe.

EMPLOYER WARNS AGAINST RELIANCE ON TAFT-H- LAW

Washington, D. C. — Clarence Francis, chairman of the board of the General Foods Corporation, warned his fellow industrialists not to rely upon the Taft-Hartley law as the way to industrial peace.

Francis thus joined other prominent business leaders who have a sufficiently enlightened outlook to realize that harmonious labor management relations cannot be legislated. In a recent address inserted in the Congressional Record he declared:

"You an legislate conditions under which management and labor can quarrel. You can legislate conditions under which they can maintain an armed truce. But you cannot legislate harmony into the hearts of men.

"To attain positive industrial peace, we need something more than by-laws and compulsory rules. We need productive teamwork."

Office Workers Union Contract

New York City—The AFL's Office Employes International Union won another union shop election in the Wall Street financial district here.

In an election conducted by the National Labor Relations Board, employes of the New York Cotton Exchange voted 74 to 6 in favor of the union shop.

This represents the second resounding triumph for Local 205 of the Office Employes Union, formerly known as the United Financial Employes prior to its affiliation with the AFL international union. Recently, the union won a similar union shop election held among employes of the New York Stock Exchange.

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