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LABOR-MANAGEMENT RELATIONS

15 February 1949

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LABOR-MANAGEMENT RELATIONS

15 February 1949

MAJOR McLAY: General Vanaman, gentlemen, good morning. Good labor relations must be a standard practice in normal times if we are to have full utilization of our manpower in a wartime industry. To help us understand the methods and techniques of good labor relations, we have asked the Director of Personnel for the National Broadcasting Company to be our speaker this morning, and for a specific reason. Mr. de la Ossa has had experience with many types of unions and in several types of businesses. He has had more experience in these fields than anyone else I can think of. With R. H. Macy and Company, he had experience in all of the personnel departments, with all of the different trades, all of the different personalities, and all of the psychological factors involved. With the National Broadcasting Company, he deals with such technical unions as the electricians union, he deals with theatrical unions, he deals with office workers unions, with construction workers unions--more kinds than I can think about.

Our speaker having had all this experience, we have saved him for the final phase of this course much in the same sense as we would clip coupons upon the investment of all the hard work we have put in during the preceding weeks.

Mr. de la Ossa is going to make his remarks relatively short--about 30 minutes--because much of his material is provocative and, I know, we are going to have many questions.

Without further hesitation and delay, I will introduce to you Mr. de la Ossa of the National Broadcasting Company.

MR. DE LA OSSA: Thank you, Major, and good morning General Vanaman and gentlemen. It is nice to be with you.

I don't know how provocative these remarks are going to be. As a matter of fact, I received a communication from General Vanaman in which I was given my orders as to scope; and when I get orders from a general, as a good civilian, I take my orders pretty literally. So I didn't want to miss anything. At the conclusion of the "talk-read" period I hope you will ask questions which are provocative and to which I, in turn, can give you some responses based on some of the experience which Major McLay has so generously attributed to me.

I do deal with a good many types of unions, but I don't know that I am an expert. Sometimes I doubt it very much when I sit opposite Mr. James Caesar Petrillo or just Mr. Business Agent from New York and he proceeds to tell me what his philosophy is and his idea of what labor relations at the moment are and should be.

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Another thing is that I am a little on the spot because, with its usual efficiency, the Industrial College asked me in about the middle of September to make this talk. I was sure then that Mr. Dewey would be calling the shots and that the Taft-Hartley law would be a well established doctrine of labor relations.

Further, it occurs to me, from course literature and other points that I have learned in talking to Major McLay and others connected with the courses you are taking, that your primary interest is probably in turning out production and in productivity.

I think that, if I give you a history, if you will, of labor relations beginning back in early times, maybe we will get a perspective that will bring us up to date in having our discussion later on this morning.

Labor-management relations today are a product of evolution in the comparative status of worker and employer. Three main forces have shaped the direction and progress of those relations. They are the law, as expressed in statutes and by court decision; voluntary bilateral agreement and concession through bargaining; and, probably most important of all, the relative growth of the worker's political power and the relative decrease of that of the employer.

Courts and legislatures follow the election returns. Suffrage extension has been a more powerful force in promoting labor relations and labor freedom than has revolution in many other countries.

I will be honest. I did some research, which I had not done for a long time. I was interested to find that the history of English labor relations provides a great deal of insight into our status today. As you know, the industrial revolution came a great deal earlier in England than it did here. Our employers borrowed a good many of the practices, the techniques, and the methods of the English employers. I found, too, that English statutory and legal precedents were used by American jurists in a great many rulings and opinions.

I found that the Ordinance and Statute of Laborers in 1350 in England made it a criminal offense to demand or take wages higher than those fixed by law. There were only minor modifications of this in the next 200 years.

Any other concerted labor action ran into the law of conspiracy, an important precedent for many of our early American decisions. Conspiracy decisions made acts, while legal for an individual, criminally and civilly illegal when committed by groups of workers. In 1548 this conspiracy doctrine was formalized by Parliament. It forbade all workers to "conspire, covenant, promise or make any oath" that would bind them as to the amount of work to be done or as to the wage rate, or to refuse to work on products others had begun.

As I interpret them, these provisions were the first statutory bans on featherbedding and the secondary boycott.

As late as 1800 the Combinations Acts of those years made illegal any joint effort to raise wages, to change hours of work, to decrease the quantity of work done, or to induce others to join in a dispute. There were added to the featherbedding and secondary boycott bans a ban on coercion or on picketing, peaceful or otherwise.

In 1824 came England's first prolabor act. It was the beginning of their modern labor relations. Under that act, workers could combine to raise wages and to shorten hours. They could control the amount of work, they could induce others to quit work, and they could peacefully picket. However, within a year, because of abuses in the form of strikes and other things that happened, the act was modified by amendments.

In spite of these amendments, the chief blows to the labor union movement were received from the courts. The most important was the action for conspiracy in restraint of trade. It was employed very freely. There was case after case in which this action was used against practically any worker concerted action, any group action, and it was used to sustain civil and criminal damage suits against unions.

Between 1871 and 1876 there was a great deal of English labor legislation, and I think that here, too, there is instructive material. I saw many of the problems that the United States has attempted to solve by legislation over the last 20 years. The doctrine that concerted labor action was criminal conspiracy or conspiracy in restraint of trade was nullified. Unions were recognized as lawful bodies. What was legal for an individual to do was legal for labor groups to do. Limited picketing was permitted, but mass picketing was illegal if it approached coercion, violence, intimidation, hindrance of other workers going to plants, and obstruction of people at home were all forbidden. Freedom of speech and the use of all peaceful methods of collective bargaining were legalized. But civil and criminal penalties could be invoked if there was a strike which resulted in the cutting off the gas or the water supply.

Again, I think you find here many of the provisions later found in the Wagner Act and in our Taft-Hartley Act.

In 1906 labor came to the fore again, and we find the new Industrial Disputes Act put on the books at that time. I believe this comes the closest to a Wagner Act for England; many basic labor-management-relationship principles were set down and still remain. Unions, here, could not be sued for damages which arose out of strikes or concerted action, whereas the same action by an individual was legal. Sympathetic strikes were permitted. Picketing, even in mass, was lawful where no violence was involved.

1888

This labor code was amended, chiefly in 1926, as a result of the general strike, about which I believe a good many of you probably read or heard in your study of labor relations.

There has not been any major labor legislation in England since that time, but I believe, as we turn into our own American labor-management relationships and laws, we find that almost all of our controls have English precedents.

I thought I could make the same kind of a detailed analysis of our American labor-management relationships as they relate to law. I found that this, for me anyway, not being a lawyer, was a practical impossibility. Conflicting state and Federal jurisdictions, both as to court decisions and as to statutory law, are so sharp and in so many different areas that I just could not do it. What I hope I can do in a few brief moments is to go over with you the development of our labor-management relations by touching on the chief turning points in these relations as they grew.

We find, in our own situation, that two main doctrines shaped our course in the early part of our labor-management days. These were the old English doctrines of conspiracy and restraint of trade.

The basic public policy--and it is repeated again and again in the conspiracy doctrine--was that a number of persons acting in concert exert a power for wrongful acts not possessed by constituent individuals as individuals. The restraint-of-trade doctrine was closely interrelated with that of conspiracy. It was these two doctrines, adopted from the English, which controlled United States labor-management relations for nearly a century.

Again, I am not a lawyer, but this case interested me. I found that there was an American case in Philadelphia in 1806 called the Cordwainers case. The decision read something like this: A combination of workmen to raise their wages may be considered from a twofold point of view; one is to benefit themselves, the other to injure those who do not join their society. The rule of law condemns both. That theme ran through court decisions for a long time.

It was not until the last decade of the nineteenth century, the 1890's, that labor's growing political power--and it was chiefly political power--was sufficient to induce state legislatures affirmatively to guarantee the right to organize with freedom from interference, restraint, or coercion. In the 1890's eight states passed such statutes.

The first affirmative Federal step in this same direction was the Erdman Act of 1898, which covered interstate railway workers.

As in the case of England, at least from the viewpoint of the unions, the chief problems encountered were court decisions. The bases of these decisions still were conspiracy and restraint of trade, but a

Now one came into play--this was freedom of contract, from the employer's point of view. These decisions held that the employer had the constitutional right to require workers to sign antiunion contracts. Those of you who are familiar with them know that these recall the "yellow-dog" contracts, which made it a condition of employment, either oral or written, to promise not to join a union. Later decisions held that these were entitled to injunctive protection. As a result, union organizing activity was practically killed off in plants which had "yellow-dog" contracts.

It was not until 1932 that the Norris-LaGuardia Anti-Injunction Act finally outlawed this contract and injunction in interstate commerce.

From 1932 until this present day the political power of labor has pretty consistently been tipping the scales in favor of labor's side, at least so far as the statutory equation is concerned. Even the Taft-Hartley Act, as we are seeing today, seems to have been only a temporary setback to labor's political gains. It is this period since the early thirties that I think, more than any other, can be called the era of labor-management relations by legislation.

The National Industrial Recovery Act and its successor, the Wagner Act, affirmatively sanctioned worker self-organization and bargaining through their own representatives free from coercion, discrimination, or intimidation.

The Fair Labor Standards Act set maximum straight-time hours and minimum straight-time wages.

The Walsh-Healey Act practically made prevailing union wages in a particular area the minimum wage.

The Federal Social Security Acts provide for old-age pensions and a nationwide system of unemployment insurance.

As I said, going against this trend to a degree was the Taft-Hartley Act. It was aimed at eliminating, I feel, some of the "abuses," as they are called, but certainly at solving some of the problems which had occurred under the Wagner Act.

Now I think the pendulum is swinging back. The swing is narrowed; there seems to be a smaller arc to cover; but it is swinging back nonetheless.

Labor-management relations, in my opinion at least, have been determined to too great an extent by law. This fact, to date, has fundamentally conditioned the approach of a good many labor leaders to the whole problem and, to a lesser degree but still to a degree, that of the employer. I think all of you know the reputation that N.A.M. has had recently in its labor-legislation campaigns.

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For the last 50 years a major part of union activity and a major part of union funds have been funneled into some form of political action. I think that effort has produced results which, in the eyes of the labor leaders, indicate that more money ought to be poured in that direction.

I have asked this question and had it asked of me: Will this reliance on political power and this changing of law and its results be the controlling influence in labor-management relations? I feel it is going to be a powerful influence but that, in spite of the law, it in itself cannot bring successful relationships.

I can only guess what the new law will be. I have no real idea what it will be. I don't think it will be the Administration bill, but I can only guess as to what it will be.

I think that there is undoubtedly a need for law; we must have law. Big business and labor--which certainly has become big business to a very marked degree--need ground rules. They need general rules of conduct.

Any successful act that is passed should contain, in the public interest, protection of free speech--and literally free speech--for all parties to any industrial dispute. There should be protections against work stoppages, particularly in jurisdictional strikes and in the case of secondary boycotts. There should be no provision guaranteeing supervisors the right to bargain as employees. I think that featherbedding is undoubtedly a wasteful and uneconomic procedure and should be prohibited. I feel, in the public interest, that there must be a provision which will prevent the "national-emergency" type of strike. With these rules--I have not named very many--and a few more, management and labor can and should be able to live together.

So far as the law is concerned, there are a couple of points that I try not to forget and that I don't think can be forgotten: No matter what its status, all that the law can do is to tell labor and management what they must do and what they must not do. It can have only a limited influence on what may further be done and how it will be done. It is this "may" and "how" area that gives labor-management relations a chance and an opportunity to develop and to make progress.

Good labor-management relations have resulted from and will continue to result from improvement in true industrial relations, both between union and employer, and even more so from improvement in the very basic and fundamental employee relations, those between individual employees and the employer.

Now, as I summed up and looked at a large mass of notes, it seemed to me that labor-management relations have gone through three phases. The first may be called that of mutual antagonism, taking just as big

wings as we can at each other; the second, that of mutual tolerance--we have to fight but we have to live, so we will get along together; and the third, a degree ahead of that, is limited cooperation. I like to feel that we are in it now in spite of all of the harangues on the "Hill."

To some extent law is responsible for this sequence, but in the main I believe it came from a mutual recognition of the parties that they do have to live together if both parties are going to continue to exist.

This progress in the cooperative stages is still tentative, and it is not going very fast. But during the war at least, when there was a common goal and objective, a high degree of cooperation was reached, principally in the all-important area of production. There was decided evidence of this even in my own nondirect-production field and, I am sure, in many other fields. When unions and management had to get together to decide how much to turn out and how quickly to do it, they did it in a surprisingly large number of instances. It still exists in a few industries. The International Ladies Garment Workers Union in New York City actually has a staff of production engineers which advises managements not meeting their production schedules as to how they can keep production up. But its full realization is still in the distant future.

Progress between labor and management in this area and in others is limited by an almost irremovable difficulty. It is the function of all the managements that I know--and they feel it--to manage, and the good union leaders have the very definite concept that it is their primary function to represent the workers. And where you find these, you find an almost irreconcilable clash. Nevertheless, progress has been made.

For example, all of the laws, including Taft-Hartley and Wagner, have directed only that an employer must bargain in good faith with the freely elected representatives of his employees. There is nothing at all in the law, apart from good-faith bargaining, which forces him to agree to anything. He does not have to agree to anything. Yet almost 16 million workers are covered by collective-bargaining agreements. In a great many instances, it is true, these were the result of economic force of the unions, either threatened or actually used. The fact is, however, that of the tens of thousands of contracts negotiated each year, only a very minor fraction was the direct result of force; the majority was concluded through a process of mutual compromise.

More skilled, better informed, and less intemperate negotiators on both sides have contributed to this result.

The thing that must be realized in all labor-management relations, in spite of ground rules, in spite of the laws, and in spite of the philosophies and theories that many people have about the process of collective bargaining, is that it takes place between men, between individuals.

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I found, and so did all who have sat around tables and not just stood behind lecterns, that knowledge at the bargaining table about the individual, about the politics of his union, and about his strengths and weaknesses is worth a great deal more, in getting a problem solved, than any law. Union leaders are faced with countless demands from a very demanding membership.

I believe that all of you know what the collective-bargaining process is, but, going back to my orders from the General, I went to some pretty good texts and I thought, to point up why the relationships between men are of such importance, it might be helpful to go over the definition of collective bargaining as it is commonly accepted.

In the field of labor relations today, "collective bargaining" and "negotiation" have become practically synonymous. "Collective bargaining" is thought of as the process through which representatives of the workers meet with the employer or representatives of the employer to consider and determine wages, hours, and other conditions of employment. The main elements of this process are reciprocal demands, joint discussion, concession or compromise, and agreement. Theoretically--and it is theoretical in many cases--it assumes equality of bargaining power without coercion. All through that runs the idea of playing poker with another person. If you can go through reciprocal demands, joint discussion, concession or compromise, and agreement, you will come out with a contract.

There is another phase of labor-management relations touching a little more on the formal mechanics of the operation. In most union contracts today, you will find, in addition to provisions on wages and hours clauses on mediation and arbitration, clauses covering any misunderstanding or dispute which might come up under the terms of the contract. I went to some professors to get my information, and I was told that "mediation" applies when the effort to adjust the dispute is through the intervention of a third party or parties. Mediation does not involve a final settlement of the dispute which is binding on the parties. It is essentially a method of free discussion aimed at clarifying positions and leading, if possible, to voluntary agreement. Again, through that, I think, runs the idea of men getting together and resolving problems.

Now, "arbitration," I was told by another professor, is much broader and much more formal than the process of mediation--or, as it is sometimes called, conciliation. (There is a technical difference between those two terms, but I don't think it is important enough to stress.) I am told that arbitration involves two elements. You submit the dispute to the adjudication of a third party, and the award which comes out of that adjudication is final, binding, and enforceable in the courts of law. In arbitration, you can submit your disputes either voluntarily or through compulsion. When they are submitted voluntarily, I think you find a major stride toward this industrial peace for which a lot of people are looking

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Labor-management committees are another evidence of cooperation and progress. I think it has been proven that when you need economic mobilization, when you do have a common goal, when it is necessary, and when the component parts of labor are convinced that it is, you can get results. They still offer a very fruitful field. Here, again, they are nothing more than a formalized means, a defined means, of spelling out labor-management cooperation. Most generally they touch on such matters as elimination of waste, increase in general efficiency, stabilization of employment, maintenance of volume of work, improvement in working conditions where these are matters not under the grievance procedure, and similar items. The method of procedure here, again, is based on discussion and suggestion. There is no compulsion, no mandatory force, on either side.

We are coming into an era today in which almost any matter can be bargained. Mr. Reuther is one of the gentlemen who is proving it with the UAW and the automotive industry, and I think Mr. Lewis has taken a long step toward proving it for the United Mine Workers. These matters can be bargained both because the fellows sitting on the other side of the table have the strength to do it, and also because consistently now court decisions and NLRB decisions, as well as legislation, are indicating that practically any condition of employment is a bargainable matter.

This presents new problems, cost problems and economic problems, and it has changed the nature of the bargaining process. It is very much apparent in these fringe demands, as I have said. I think we will find, if we see a continuation of the declining cost of living and a continuation of at least the leveling off which has been evidenced in the last few days and which is being written and talked about a great deal more, that bargaining around the table will be much more confined to these so-called fringe issues, welfare issues, rather than to matters of increases in wages.

In spite of all the self-serving statements made by union leadership, many employers with well-intentioned and well-thought-out statements have jumped the gun and have initiated welfare programs simply as a basis of sound employee relations.

It is in this labor-management relations field I talk about generalization at this point, now I think we can see very remarkable strides toward industrial peace and industrial good will; I think there may be a lot of progress in the future.

Managements have found that the real basis of living with their employees stems from the mutual recognition that they are human beings, that they have status as human beings.

Industrial relations, those that I am supposed to be talking about primarily today, labor-management relations, are the kind of things that happen from time to time, like the annual Army-Navy game, or events that

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come up once in a while. But employer-employee relations, these basic relations, are the kind of things that happen daily and happen hourly.

If the union is doing what it is supposed to do, that is, mirroring the attitudes and reactions of the workers, union tactics and strategy should be--I am not naive about it; they won't always be--the component of the reactions of the individual employees.

However, if the employees feel that they are no more than numbers, the proverbial timecard number, juggled around as faceless and impersonal units by management, the accumulated total, the pile up of irritations and negative reactions, can soon express itself in the kind of explosion that you find around a bargaining table when you are faced with unanswerable and ungrantable demands.

In improving the status of this prime field of labor-management relations, I think it is still essential to find out what the employee wants and just how far management, in the face of its operations and responsibility to the public, can go to meet these wants.

It is not new, I am sure, for those of you who have heard similar talks before, that wages are not really the worker's first desire. They are an important one, certainly, and they are very closely wrapped up with all of his wants. But primarily he wants security, and security is a much broader term than just wages. It covers the tenure of employment, the steadiness of employment, protection against illness and accidents, and financial provision for old age. I think in all of these we see a reason for the union push on these welfare plans and on these benefits.

By the middle of 1948 more than three million workers were covered by management-financed or by employer-employee contributory plans for health, welfare, and retirement benefits. If our Government, as it seems to be trying to do in some ways, legislates complete "birth-to-death" security, of course the role of management in these worker benefits and the role of the union to a certain extent--they are playing both ends--will be of less importance.

The annual wage is another factor which is still an impossibility for a great many industries because of their production schedules, but those who have output stability can assure an annual wage and are trying to do it. I think product research and better output planning offer future possibilities for managements which are anxious to solve this problem of a lasting labor peace.

Closely behind the security desire there are other worker wishes or wants which can be satisfied by the employer in promoting more healthful relationships with employees. In this field, almost as important as security, are such tangibles and intangibles as good physical working conditions, prompt and fair adjustment of grievances, effective and human

upervision, recognition for effort, the chance for self-expression, information about the job in relation to the whole operation of the company, and information about the company in its relation to the community and in relation to the industry as a whole.

I don't think any more important contribution can be made to labor-management relations than continuous advance in this field of employee relations. Sound employee relations are always, and have to be, a continuous management responsibility that it must conscientiously discharge in good times or in bad--no matter what the status of labor legislation may be.

Yesterday at the NAM I heard a question asked of Mr. James D. Wise of the Bigelow-Sanford Carpet Company after a long talk he gave. He was introduced as being the president of a company that had been farsighted and had the good sense to install a program of sound employer-employee relationships toward the end of bringing about increased productivity, labor-management peace, and a number of other things. Somebody asked him this question: "You already have a union. Why did you put in all of these benefits, all of these conditions of good worker relations?" He answered, I thought very soundly, that "Sound fundamental employer-employee relationships had nothing to do with unionization, that he wasn't union-busting, that he wanted a fair day's work, that he wanted satisfied employees, that he wanted to recognize a public obligation, and, more important than anything else, he wanted to turn out better carpets at lower prices than anybody else in the business could." I thought it was a very sound answer. It shows a point of view. But the idea of managements buying off unionization with a good pension plan or a good insurance plan is a lot different from really deciding on a sound policy, and following through, in employer-employee relations.

To sum up, I think labor-management relations are shaped by three main forces: (1) the law, (2) bargaining between unions and management, and (3) management relationships with its employees.

So far as the law is concerned, I think it is going to continue to be influential, and I think it will be a great influence, but I feel that its relative importance to the whole field has to decline. Each side is going to continue indefinitely, through its trade associations or its unions, to seek a legal balance which is in its favor. But the areas of conflict seem to be narrowing. You see that now in the swing between the Wagner Act and the Taft-Hartley Act. It is going to come out somewhere in between, probably more toward Wagner than Taft-Hartley; I think we can get legal stability from this. Concessions which would have been unthinkable 20 years ago are now common features of labor contracts. Mediation and arbitration are settling literally thousands of disputes which could have ended in strikes and work stoppages not too long ago.

As union leadership matures and as management takes the union for granted as a permanent industrial force, we will move into the phase of mutual, even if limited, cooperation and out of the phase of more tolerancy.

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One thing that is looked for a great deal, which I don't think we will ever get in our system of living and in our economic system, is the "graveyard" kind of peace. I think that when people in the street talk about labor-management peace, you get a picture of everything being quiet and serene, with nobody ever shouting at anybody else. I don't think you will ever find that. I think the nature of the relationship is much more like that of the family unit. There are quarrels; sometime you shout at one another; sometimes you ask for an unfair advantage over a brother or sister or a husband over a wife; there are temporary break-ups, there are name callings, and sometimes, I suppose, even tests of strength. In the main, however, the family unit sticks together toward the end of living and accomplishing its chief objective. I think that is much more like the kind of labor-management relationship which will exist in the future.

I would like to close with this remark, that the most effective force in labor-management relations has to be in the condition of a company's direct relationships with its own employees. To the extent that employer and employee, cooperating, can promote better human understanding, more comfort and efficiency in working conditions and surroundings, more security by better research and planning, less friction through better-trained and informed supervision, more ambition through recognition of ability in fair, sound upgrading and promotion, more employee participation, and more team feeling through job and company information, the less need there should be for law and economic strife.

Thank you.

QUESTION: Would you outline what you think the relationship between management and organized labor should be in time of a tough, shooting war?

MR. DE LA OSSA: In time of a tough, shooting war I think a great many rights have to be curtailed. I think the relationship of management and labor during a tough, shooting war should be even more strongly cooperative than it was during the last war. I think that under no circumstances, in industries where production is being turned out for the national war effort, or the shooting-war effort, should work stoppages be allowed. I think that all of the so-called make-work provisions saying, "You can turn out only so many units per day," should be curtailed. In other words, I think the end objective--providing the necessary materials for the fellows who are fighting the shooting war--should supersede, during that time, the normal prerogatives of management and labor. I firmly believe that.

I don't know whether I have given you enough definition, but that is the philosophy anyway.

QUESTION: Could you expand on that just a little? Do you think that under the present relationship of management and organized labor such a thing could be achieved?

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MR. DE LA OSSA: In a "number" of instances, no. I say that because here are a number of unions and certainly segments of unions that don't ave the same objectives. I am speaking about the group Mr. Pitzele is robably going to cover with you, the Communist-dominated unions. There re many others that won't do it, but I think generally you will find that, through the proper kind of management and labor council or committee--and I think the need for it has been recognized--it would be achieved.

QUESTION: You mentioned the political power of labor. Do you feel that the labor leaders are able to handle that power wisely?

MR. DE LA OSSA: I am just as concerned about labor power as I am about some of the power on management's side that isn't handled wisely. I always worry when I generalize and say labor and management. I think, in most instances, the national labor leaders today are very well equipped to handle such power.

I have been concerned recently about the power of some national unions. I have a poll of the "Factory Magazine" in which 30 national labor leaders answered a questionnaire about basic labor legislation which they are now fighting for. They gave answers which would indicate that they themselves are concerned about the possible abuse of the growing political power that they have.

QUESTION: Does the industry have any preference in approaching the question of a national strike involving communications?

MR. DE LA OSSA: I think it would be our feeling that, in the event of a threatened national strike, before the strike actually took place, there should be a period, such as the 80-day period that now exists under the Taft-Hartley law, to obtain agreement; and then, I think, in preference to shutting down, that the operations could be taken over by direction of the President.

I know that, fundamentally, our conception of the communications business has been aimed in the direction of keeping the service going at all times in the public interest, particularly during periods of national strife.

MAJOR McLAY: Our time is drawing to a close, Mr. de la Ossa. On behalf of the Commandant and the student body, I thank you very much for a very enlightening lecture.

MR. DE LA OSSA: It has been very nice to be with you.

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