

THE RISE OF ORGANIZED LABOR

22 September 1954

409

CONTENTS

	<u>Page</u>
SPEAKER--Mr. S. S. Hill, Member of the Faculty, ICAF...	1
GENERAL DISCUSSION.....	11

NOTICE: This is a copy of material presented to the resident students at the Industrial College of the Armed Forces. It is furnished for official use only in connection with studies now being performed by the user. It is not for general publication. It may not be released to other persons, quoted or extracted for publication or otherwise copied or distributed without specific permission from the author and the Commandant, ICAF, in each case.

Publication No. L55-26

INDUSTRIAL COLLEGE OF THE ARMED FORCES

Washington, D. C.

THE RISE OF ORGANIZED LABOR

22 September 1954

MR. HILL: General Niblo, members of the class: Today we have the first of three lectures on the subject of industrial relations. It is called "The Rise of Organized Labor," and it will attempt to give you a background on which to judge the work of two succeeding lecturers, one of whom will be a labor leader, and, secondly, a man from management. In each case these people will present to you their views on the current situation and indicate how they intend to handle their problems.

The first subject we will take up this morning is a history of the association movement. I suspect that a lot of us have wondered how this phenomenon called "labor union" ever got going. Most of us have decided that we can call the beginning of the association movement about the year 1790 because in that year we had an association of working men. This happened to be in Philadelphia.

We could go back to colonial times. We do find there associations of working people, the craftsmen, but they were more like the medieval guilds, that is to say they included master workmen in their membership and were particularly interested in the maintenance of craft quality. So we have to come forward to the post-revolutionary period to find the beginning of working men's associations.

Now, curiously enough, those associations began as a defensive measure against wage cuts rather than the opposite, the association to increase wage levels, with which you associate the union movement of today. I think the reason for that is of particular interest to us.

With the closing of the revolutionary period you had an end of what was called "the making for custom era." That is to say up until that time, if you wanted to purchase an article of clothing, say, a pair of boots, you went to your local boot maker and he would charge you a sum which represented the cost of his living, the cost of his raw materials, and his overhead--we hope--and there was no great competition as to the price which he charged because you went to him. I say "you." That was the average person of moderate means. Of course, the well-to-do would import all kinds of luxury items over a wide area.

With the improvement in transportation, then, following the revolution, we had a widening of the market area and we saw that working

men from other than the local markets were having to compete with others. That is, the master workmen, the heads of the shops, were finding that competition was getting keen.

To meet that competition, they had, of course, to reduce costs all along the line. Most of those costs were centered right in wages. It was this phenomenon, then, which led to the first association of working men as a defensive measure to resist wage cuts.

There are several periods of union growth which we can distinguish. For the first 35 years, from about 1790 to about the middle of the 1820's, we had a growth of local craft unions all up and down the eastern seaboard, in Philadelphia, in Baltimore, in New York. We had growing up associations of painters, of bakers, of tailors--that sort of craft.

From about 1825 and for the following ten years, we had a different kind of union, and that was the city local. In other words, the artisans, the craftsmen in each locality began to realize that the working men of that locality had certain interests apart from their own craft aims and goals. So you had the growth of city centrals.

About 1835 we had an interesting movement toward a national trades union. It was the first attempt to form a union on a national basis. That attempt was unsuccessful and in 1837 the movement was engulfed in a depression which lasted for quite a long time thereafter.

In 1852, we find the first international union which has lasted to the present day, that is the International Typographical Union which was founded in this city of Washington.

Going then to the Civil War period, we find a great amount of unrest as a result of the war between the states and in the years after the Civil War. During the Civil War period, we had three of the four major railway operating unions formed, the Engineers, the Firemen, and the Conductors, and in the years right after the noted war we noticed that in two industries we had bargaining agreements, one in the iron ore industry and one in the anthracite coal industry.

In 1869, there was founded an association with which I am sure you are all familiar, the Knights of Labor. The Knights of Labor was founded by a man called Terence V. Powderly. Powderly had a great desire to improve the lot of all the people whom he felt needed to have a better living standard. Curiously enough, he allowed everybody to

join his union except bankers and physicians. Later he allowed physicians to join up but he didn't trust bankers. They were obviously on the other side of the fence.

This movement, which included various crafts and groups of unskilled people, grew more or less like Topsy, and we find, for instance, as early as the middle 1880's that they were getting quite a hold on the labor of the biggest industry of that time, namely, the railways. In 1886, they called a strike against the old Gould railway systems, which included the Katy, the Missouri Pacific, and the Wabash. The strike was successful and he got increased wages, particularly for the shop men. Nothing succeeds like success, and with that, Powderly's union grew to a tremendous membership, we believe about 700,000.

Of course, membership in those days was not as meaningful as it is now. People were not as careful to pay dues as they were to take part in physical activity, especially violence.

Out of the Knights of Labor--which declined rapidly after a second strike against the Gould system a few years after the first--there arose a most important association, that of the American Federation of Labor. Samuel Gompers, who, of course, is always associated with the Federation as its founder, believed that the Knights of Labor could not fulfill the functions which Powderly thought it was going to be able to do. He thought that the number of unskilled people attached to the group would not have the bargaining power which the skilled crafts would have. Accordingly, he pulled out of the Knights of Labor about 1881, and from that time until his death in 1924 he was to run very definitely the policies of this loose Federation of shop crafts.

In 1935, which is the end of our period under discussion, you will recall that there was a very deep separation in the ranks of the Federation. John L. Lewis, David Dubinsky, and Sidney Hillman, leaders of three powerful unions within the AFL, agreed that the time of the craft union had passed and decided it was time to organize labor on an industry-wide basis. Lewis felt particularly keen about this idea because he was finding that the steel companies owned captive coal mines and were resisting his efforts to organize them.

It was said that Lewis and his miners offered the Federation a half million dollars with which to organize the steel industry. There was,

of course, a rather inactive union there, but William Green turned down the offer. As a result, the three leaders separated from the Federation and formed what we know as the CIO.

We have sketched in brief the background of the founding of labor unions, and I think that we might well turn to the status of these unions to see what they faced in the social, political and economic medium in which they found themselves.

Now there were no statutes governing labor-management relations until the passage of the Sherman Anti-Trust Act in 1890. So up until that time we had, governing the operations of labor unions, the common law as interpreted by justices and courts of equity sitting in jurisdiction over these operations.

Now we go back a long time to find the theory under which these countries operated. We go away back into the history of England, and, as you will recall, in the middle of the 14th century we had what was called in London the black death. That, of course, caused such a tremendous loss in manpower that the remaining working men were able to charge much higher wages than they had been previously.

This upset the whole manorial system, and, as a consequence, we had what is called the Statute of Laborers. In fact, there are two, one is the Ordinance of Laborers and the other the Statute of Laborers. We can get into too much detail about this so let us put down the Statute of Laborers, and the date is 1349--one is 1349 and one is 1350.

This Statute of Laborers forbade any conspiracy or combination of working men to increase their wages, and prevented any single person from doing that.

We had in Queen Elizabeth I's time a most inclusive law called the Statute of Apprentices. That date is 1562. These dates, of course, are thrown in in case you want them. They are not of tremendous significance if you don't want to remember them. This Statute of Apprentices of 1562 made the NRA look very elementary because it controlled all possible activities of business and allowed the settlement of wages by local justices. It forbade any activity on the part of working men to associate and thereby increase their wage levels.

We also had the Combination Acts and those dates are 1799 and 1800. William Pitt, the famous prime minister, was very much

worried about the upset to the status quo which was brought on by combinations of working men trying to upset established wage levels. So these Combination Acts were passed in 1799 and 1800.

Now out of all these statutes, we get the theory of combinations as conspiracies. In about 1806, we had a case of the Philadelphia cordwainers who were trying to raise wages, and the master craftsmen took them into court. The recorder, a Mr. Levi, was very much upset that there should be an association of working men who would seek to benefit their own situation at the expense of another group of society. The leaders of the group were jailed and fined.

We find this idea of conspiracy continuing on through the history of the labor union movement, from this year 1806 down as far as certainly 1880, although even after 1880, we will see that the Supreme Court and the District Courts, even more often, use the word "conspiracy" in referring to actions by labor unions.

About 1842, there was a rift in the clouds, if you please, when the Supreme Court of Massachusetts decided that this conspiracy was a rather anomalous epithet to throw at a group of people in concerted action, and Chief Justice Shaw said it was silly to say that a group of people were doing illegally and accomplishing an illegal end if the same could be done by a single person. His only qualification was that the actions of a concerted group must, first of all, not be a burden on interstate commerce, or, secondly, cause irreparable damage to the employer against whom the working men were striking.

After the lapse of the conspiracy doctrine, we began to see a new technique, and that was the use of a labor injunction. That, too, was a British import.

An injunction is an order of a court of equity directing a person or a group of persons to do or, more often, not to do certain specified acts, and those acts are supposed to be about to cause irreparable damage to the property or the property right of the person who prays for the issuance of this injunction. Employers were quick to seize on the labor injunction as a means for stopping the organization of their employees, and this technique worked very well indeed. One case is of interest.

About the turn of the century, one of the coal companies operating in West Virginia, the Hitchman Coal and Coke Company, found that

its mine had been shut down by a strike. When it decided to reopen the mine, it required each of the employees returning to work, or new employees, to give a verbal promise that he would not join with the mine workers' union. Now such a promise is known in labor circles as a "yellow dog" contract. It has been outlawed now for many years.

The mine workers' union tried to circumvent this oral promise which was given by their potential members, and they asked each man who was employed by Hitchman Coal and Coke to sign a paper stating that he would become a member of the union if and when the union thought it was practicable to form a union. We will assume that the union would then attempt to obtain recognition of that union by the coal company. The coal company went to court and asked for an injunction to keep the men from signing this paper.

Now, mind you, the paper did not state that they were members of the union. They said they would become members of the union, and the lawyers advising the union thought they had gotten around the oral promise.

The District Court decided to issue an injunction because the mine workers' union was a conspiracy against the nonunion mine workers and was definitely an attempt to restrain trade. The Supreme Court took more or less the same viewpoint. It went further; it said that there was no relationship between the mine workers' union and the company. It had no status. The Supreme Court was concerned only with the rights of the company. It said furthermore that the mine workers' union was attempting to induce people to break a contract. It said that the union was trespassing on company property, and it said it would have to desist those practices or else face contempt of court. That was the type of labor injunction which was used to cut down the opportunities for organization prior to the passage of the Norris-LaGuardia Act of 1932, which we will come to shortly.

Now, in 1890, as we have said, we had the first statute which we found applying to labor unions, that was the Sherman Anti-Trust Act. The Unions were a bit surprised to find that the anti-trust act was to be applied against associations of working people. The climate of 1890, as you will recall, was one of fear of too large combinations on the part of business. Nobody thought that the labor unions were to be included as a threat in the same breath as big business, but in the Pullman strike of 1894, we find that the strike was stopped by the use of this statute.

What happened was this: The Pullman Company, after the depression of 1893, with probably very good reason as far as the company was concerned, tried to have its employees take a 20 percent cut. The employees of the Pullman shops belonged to the American Railwaymen's Union, which included many members of the operating crafts.

The union leaders, to help the people in the shops, directed the employees in train service not to handle any Pullman-owned equipment--the sleeping and parlor cars. Of course, this led to the stoppage of the mails. The attorneys for the Government got into the picture and the judge in Chicago issued one of the most sweeping injunctions against the strikers ever to have been known. It was so sweeping that if a group of people, such as ourselves, were to discuss the case and were to utter any thoughts against the company before the strikers, we could have been held in contempt.

The Danbury Hatters' Case came very shortly after that, about ten years after, and was the first case actually to be cited by the Supreme Court as coming under the anti-trust statute. There we had a secondary boycott type of action. The hatters had organized about 70 out of 84 of the major hat manufacturers, and a company called Lowe and Company was the object of their interest.

In order to exercise economic pressure, the American Federation of Labor put this company on the "We don't patronize," and "unfair to labor" lists. As a consequence, the sales by the company and also by the retailers who handled their goods declined substantially.

The company went to the courts, and the Supreme Court after a good many hearings and rehearings, finally found the union guilty of restraint of trade under the provisions of the Sherman Anti-Trust Act, and levied a sum of money against the union equal to three times the amount of damage as a punitive measure. It was about a quarter of a million dollars and it about broke the union.

Labor began to see what it could do about getting out from under the Sherman Act and lobbied successfully for the passage of the Clayton Anti-Trust Act, which became part of our law in 1914.

The Clayton Act stated that unions had a right to organize and that the injunction was not to be used against them so long as they did what was legal. However, the Supreme Court noted that the Clayton Act added nothing to what had gone before. Obviously, if the unions were

acting legally before, they could certainly be allowed to act in the same way at the present time.

It did add something on the other side of the picture, and that was this: It allowed anybody of interest to enter suit against a restrainer of trade. Previously, under the Sherman Act, only the district attorney would be allowed to enter such a suit upon persuasion of the injured party.

It remained for the Norris-LaGuardia Act, passed in 1932, to establish the right of unions to organize without interference by a labor injunction. The social philosophy expressed in the preamble was intended to help the liberal members of the judiciary to decide cases with an eye toward the intent of the Congress.

In 1935, we come to the last of our acts under consideration today, the National Labor Relations Act, the so-called Wagner Act. This strengthened the Norris-LaGuardia Act and went a little further. It established two things: It strengthened the right to organize, and also established beyond the shadow of a doubt the right to bargain collectively.

It was all very well for Congress to pass a law, but it had not yet gotten by the Supreme Court, and the Supreme Court up until that time had taken the position that Congress had no right to interfere in the local affairs of the states. For instance, the Fair Labor Standards Act, the Children's Hours of Labor Act, the Women's Hours of Labor Act were declared unconstitutional by the Supreme Court because Congress was not given specifically the right to interfere in state operations.

However, Congress said that under the Commerce clause of the constitution, it had the right to regulate commerce between the states, and, furthermore, that, if a certain manufacturing process was part of the job of getting the goods from inception to consumption, it would look upon manufacturing as being part of the interstate commerce procedure.

We had, very shortly after the passage of the Wagner Act, a test of the law. One of the steel companies in Pittsburgh was advised by its attorneys that the act was unconstitutional. It proceeded to ignore the act entirely and fired about 10 men for union activity. Upon complaint of these discharged employees, the policing agency set up under the act, the National Labor Relations Board stepped into the picture and it hailed the company into court for violation of the act.

Now the lawyers for the company were on fairly good ground, so the District Court found, and said Congress had no power to regulate labor-management relations in a manufacturing concern which operated obviously intra-state. Out went the ruling of the Labor Board.

It remained for the Supreme Court, which made the decision about 1937, to uphold the power of the Congress to regulate commerce, and included in the concept of commerce, manufacturing as part of the interstate process. In other words, it is the interstate commerce character of manufacturing which allows its regulation by the Congress.

Now we have seen in the past ten years a number of cases of Federal intervention in labor-management disputes. I think it interesting to go back to War I and see what happened there.

So many of the institutions of War II come from War I that it is surprising that we didn't do a better job. But we had in War I a War Labor Board which tried to set up a code of fair practices between management and labor. It tried to go as far as possible toward setting up a procedure by which employees could organize if they wished.

The Western Union Telegraph Company did not wish to go along with the Board in its efforts to allow peaceful organization and fired a dozen people for union activity. Thereupon, the employees struck, and, of course, interrupted a most important war utility. The Federal Government told the Western Union to take the strikers back or else. The company refused, and thereupon the Western Union was operated by the Government in War I.

A similar situation arose in the Smith and Wesson Company up in Springfield. There the company proceeded to fire a number of employees for union activity. Again, the Federal Government said, "Allow them to organize." The company refused, and this company, a private organization, industrial rather than a utility, was taken over by the Government in War I and was operated as a war plant.

Now, lest you think that the Federal Government always intervenes on the side of labor, it is encouraging to note that this is not the case.

About this same time, a group of machinists who belonged to the International Association of Machinists in Bridgeport refused to accept an award of the War Labor Board and proceeded to negotiate a work stoppage. Important firms such as Remington Arms were affected.

Thereupon, President Wilson wrote to the strikers and said, (1) "If you don't go back to work, you will not be allowed to have a job in a war industry for at least one year;" and (2) "We will refer you to your draft boards right away." That got the desired result, and the men went back to work.

Now it has not been possible to give you the other side of the coin. We have reviewed in the half hour or so this morning the side of the unions themselves. Probably we are asking ourselves, Isn't there another side of the coin? Hasn't management got some bit of right on its side. I think so.

The literature on the other side is not as voluminous as that on the side of labor. For instance, we know all about the Hitchman Coal and Coke Company activities as regards the strikers, but we don't know the motivation of the coal company. After all, a coal company is composed of people like ourselves, men of good will, we assume, who have responsibilities to fulfill. We can assume and imagine what must have happened here.

Here was a company shut down by a strike. Probably their finances were none too good. Coal company finances never are, except for a few large ones. They probably had to go to the bank and ask the bank to finance them. How could they go to the bank and say, "Will you help us out? Will you help us get started?" unless they could show to these people that their operation was going to be changed in some way and they could go on a profitable basis of operation? How do this more simply than to assure themselves that there would not be a union organization which would drive wages up to a level above what they could afford to pay?

There must be many such cases. We know of people who join up in a company just to have a job and shortly thereafter the employee takes a very dim view of going along with a company's routine and policy. Human nature, after all, doesn't change from one side of the fence to the other so we have to understand that there is the other side of the picture which I cannot present this morning as fully as I have the other.

Now to summarize what I think we have established --first, we find that labor unions arose shortly after the close of the Revolutionary War and they were formed as a defensive measure against wage reduction.

Secondly, these wage reductions arose because of the widening of the market area, the ending of custom-made goods which led to price competition on the part of master workmen in one area with master workmen in another. The master workmen became capitalists rather than leaders of a shop.

Thirdly, acceptance of the labor union as a phenomenon in society had, as I said, very small recognition. In a sense the public is always against the union, and for good reason. In a sense, the operator of a business tries to get all the factors of production and produce a good at the lowest possible price. If the labor union raises its price, he has to increase his price to us. Therefore, as consumers we cannot look upon the increase in price with too much favor. We have a conflict there between our desire to see people get a fair break on the one hand and the need to get our requisites of living at the lowest possible price on the other.

We have seen that the labor injunction was used as a means of combating what is now an approved procedure on the part of working men's associations. We have seen that the use of that injunction has practically been stopped by the Norris-LaGuardia Act of 1932.

Also, the 1935 National Labor Relations Act has backed up the Norris-LaGuardia Act and has given labor its two basic rights: First, that of organization; and, secondly, that of collective-bargaining.

In the succeeding lectures you will learn something of what has happened since the passage of the National Labor Relations Act of 1935 and get into what, I am sure, most of you want to hear: a discussion of the Taft-Hartley Act of 1947.

We will have a ten-minute break. After that, we will have a question period.

QUESTION: I didn't quite follow you when you discussed the Combination Acts. Are those British acts, American acts, or were they carried over as common law into the American system?

MR. HILL: The Combination Acts were passed in 1799 and they forbade combinations, or conspiracies, or associations of working people acting in concert to change their wages or working conditions. The thought is that the spirit of those parli-

away w
Isn't lab
raises of
ment when

MR. HILL
the role of con
the management
is affiliated with ne

Would it answer
is a member of the pu
to be un
unfavorable regard
member of the labor side
course, the membe
one gro of labor is trying
other of that labor g
incre

t theory, which is
operating brotherho
way and maintenance
of wages would be be
ute to what is called th
all have various reser
theory there was though
available for the payment
sible that the railway opera
ngly organized, were able to
the railway companies.

The National Labor Relations B
efore the court. Can

cause
re than

was carried over into the common law of our courts, and this series of acts act as a background for our common law theories

QUESTION: You mentioned that the public is generally of management. Now there have been some pretenses on both sides. Would you please go into those and point out some of the ramifications of those?

MR. HILL: Do you mean primarily the public?

QUESTION: Probably the public have been some very

MR. HILL: hour or so history

before the court, and in what way does that function? Does it represent the labor union or the management in the dispute?

MR. HILL: That question is really in the scope of the succeeding two lectures because it is a current proposition. However, I will try to answer it because I did take us up to the Wagner Act. Up to the time of the passage of the Act, the National Labor Relations Board was designed only to see that unions had the right to bargain collectively and to police the whole function. Under the Taft-Hartley Act, there are certain unfair labor practices on the part of the unions which would indicate that the NLRB could proceed against them, and should, if proper evidence were forthcoming.

QUESTION: Apparently most of our labor laws come from old English law, or used to, and we seem to have gotten away from that. How about England today and other countries' labor laws? Do they have laws comparable to ours, recognizing the right of unions to organize and bargain collectively?

MR. HILL: That is getting away from the American labor scene and I don't know too much about other countries. The British do have a great many laws which regulate and approve the basic theory of the National Labor Relations Board. They also have there, and have had for some time, a law prohibiting general strikes. That was passed shortly after the general strike of 1926.

As to the details of the law governing unions, I can't help you too much about that, but, of course, we have laws which the Labor Party ran England for a number of years, and for collective bargaining. They also have laws which were passed which would provide the usual machinery for collective bargaining.

QUESTION: A number of analyses have shown that wages of labor have risen almost directly in proportion to the productivity. That has given rise to the question of whether labor unions have had no influence on that? comment on that?

35, m ur he Com- re they 9 and 1800, iations of their working mentary actions

h ky, comment on that?

whose work, I am sure, you know very well, brought out that theory and proved to his own satisfaction, and I am sure to many other people's satisfaction, that unions had had no effect on wages. His examples were taken at random, but they did not seem to prove the case to me.

He showed, for instance, that the unorganized workers in certain industries--I think they had domestic help in one instance--were getting increases in wages although there was no organization there to help them along. I suggested that certainly there could be a strengthening of the bargaining power of even an unorganized group, such as domestic help, in a place like Washington where they had the alternative of going into Federal employment. Thus while there was no union behind the bolstering of their income, there was an alternative cause for the raising of wages in that particular group.

It is so hard to prove that labor unions are actually responsible for wage increases over a long period, that I don't know that you can prove it either one way or the other. I don't know that they have. I think by and large it seems to be patent on the face of the problem that when you have a strong bargaining unit you get a better deal with the employer.

In other words, the whole theory of the passage of the National Labor Relations Act of 1935 was that the Congress wished to avoid the placing of a burden on interstate commerce which might occur as a result of unequal bargaining power between a favorably strong corporation and a group of unorganized workers.

I might add one thing more: that is that unions don't necessarily organize principally for wage matters, but for other reasons as well.

QUESTION: Do you think there is any trend of the unions towards guaranteeing a certain minimum standard of workmanship--in the building trades in particular? For example, a plumber: do you feel the plumbers' union has a responsibility so that when you get a plumber he will have a certain minimum standard of workmanship?

MR. HILL: The responsibility of policing work is a divided one, as I understand it. For instance, you have plumbing inspectors who must okay or refuse to okay the work done by a plumber. The same is true for many of the building trades. Electricians, for instance: their work must be approved by someone licensed by the city. So the

responsibility for good work is not necessarily lodged in the union itself but with authorities other than the union.

COLONEL BAIRD: I think I can help you out on an answer to that question. I was talking to Mr. Durkin in his office about three months ago. I was very much impressed because of the fact that they are starting a very strong educational program for apprentices in their union, which is the plumbers' union. He asked me to go down to the lower floor of his office building to go through the educational setup.

They have hired four college professors, the best educators in the business, and they have organized courses there during this past year. The proof of the pudding was demonstrated at a meeting at Purdue University this past summer, where boys from the 48 states, young plumbers, competed for prizes. Not only states, but counties within states competed for prizes of thousands of dollars.

In addition to that, large manufacturing concerns, industrial plants furnished the equipment, such as acetylene torches, for use in practice tests as well as the written, multiple choice type of question tests. The union gave to the university of the county or state of the boy who won the prize the equipment to be used in the educational program. They spent one million dollars on that just last year; they are putting three million dollars into it next year.

They have also paid a publicity man--who ran the publicity show for Bob Hope on the radio--a very high salary to come to Washington. They are working on films and publicity to get their educational program before the public and primarily before apprentices, the hope being that they can take any young boy having an average I.Q., and educate him in the trade to know what is being done.

QUESTION: What about these featherbedding practices? Do you reckon this will require some action on the part of unions or through regulation by the Government?

MR. HILL: Of course, featherbedding is practiced on both sides of the fence. It is not only labor unions that have featherbedding practices. Usually they go up as defensive measures against what the labor union thinks is exploitation.

In the railway operating field, with which I am most familiar, there are a great many restrictive practices which are called featherbedding,

but which have very sound origins. Of course, once the union gets management to agree that they won't do something, it is pretty hard to get them to give up something they have won. They are afraid they will again be taken over the hurdles.

Let me give you an example. They are not allowed to use a road man, that is, one on a crew operating between terminals, operating over the road, in yard switching. That arises out of the practice which went on prior, I would say, to about the first decade of the century, when the men were paid on a piece-work basis. They got about \$1.48, I think, for the Altoona-Pittsburgh haul. Sometimes that would take more than 16 hours, but they still got \$1.48, and when they got to the yard, the yard master might find work for them to do, and they would be set to work switching, which is yard work.

Regulation 4-D-4 prohibits the use of a road crew in switching. For instance, if the yard master makes a mistake, and the road crew, in going to the engine house has to switch a car out of the way, that is yard switching and he gets a day's pay for it. So the way rules work out, they sometimes are inequitable, but they are on a sound historical basis.

I would say featherbedding is to be deplored because it raises costs, but what constitutes featherbedding should be decided fairly and squarely and not on the basis of prejudice.

COLONEL CONNER: You have talked yourself right out of time, Mr. Hill. Thank you very much.

(26 Oct 1954--250)sgb