AN EXAMINATION OF UNION-MANAGEMENT RELATIONS IN THE
GARLAND PLANT OF THE UTAH-IDAHO SUGAR COMPANY

by

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PURPOSE OF THE STUDY

The problems presented in Union-Management Relations affect the whole economy. When collective bargaining breaks down and economic warfare, in the form of strikes or lockouts, results between industry and labor, the effects reach far beyond the two parties immediately concerned. Strikes in industries, such as the Coal or Steel Industries, impose depressive imprint upon every segment of the economy. Even in purely regional industry the effects of labor dispute spawned shutdowns cannot be isolated to the parties directly involved. Therefore, any efforts that seek to find and remove causes of Union-Management conflict are worth while and should be encouraged.

This study examines the relations between the Utah-Idaho Sugar Company and the Union as a representative sample of general Union-Management Relations, with the purpose of determining:

1. The extent to which the union has developed needs and problems different from those of its rank-and-file;
2. The extent to which union political motives take precedence over economic motives in the formation of union policies;
3. How effective the union has been in influencing
general working conditions;
4. Whether or not a mutual struggle for survival is underway between the Utah-Idaho Sugar Company and organized labor, and if so, are the company and the local union aware of it;
5. The extent to which collective bargaining has been successful between the parties, and the reasons for failure or success; and
6. To present a history of relations between the parties in the study.

METHOD OF ANALYSIS. The material for this study has been gathered largely from interviews with leaders and members of the union, from the writer's experience in the community of Garland as a periodic worker at the Garland plant, from interviews with local management and general management officials, and from various union and company records.

The brief period the Garland plant has been organized, the failure of either management or the union to keep minutes of negotiations, and the incompleteness of union records impose initial limitations upon the study. Recognizing these limitations and the inaccuracies of human memory, this paper attempts to discover the facts concerning company-union relationship, company policy, both before and after entry of the union, and union policy and analyze them with respect to the announced purposes of the thesis.
THE UTAH-IDAHO SUGAR COMPANY. The acute need for sugar of the early settlers of Utah led to the growth of the beet sugar industry in the state, and eventually to the organization of the Utah-Idaho Sugar Company. These settlers were thousands of miles from the nearest source of supply. Their only means of transporting freight were the slow and expensive wagon trains that infrequently reached the area. Sugar was scarce and expensive and the people were starved for sweets.

A November 1849 issue of the Deseret News reported that, "Mr. Vasquez opened a store of goods in Great Salt Lake City and quickly sold all his sugar at three pounds for $2.00." In September 1850, the First Presidency of the Church of Jesus Christ of Latter-day Saints issued the following statement:

"Sugar is not only a beverage, a luxury, but it is, in its nature and substance, one of the component parts of our animal structure; and a free use thereof is calculated to promote health; and could the Saints have a more abundant supply, they would need less meat. Should every person in Deseret consume one-third of an ounce of sugar per day through the coming year, it would require about one hundred and twenty tons, more than has been or will be brought in by our merchants this season; and according to the best estimate we can make, three hundred tons would be consumed in this state next year, if it could be obtained." 1

This acute need for sugar resulted in the building of the first beet sugar refinery in America at Sugar House, near Salt Lake City, in 1852. This venture failed and at-

tempts to refine sugar from the sugar beet were dropped until late in the century, after successful sugar beet refineries had been built and operated in California.

The decision to abandon the project at Sugar House and the subsequent dismantling of the plant was a blow to many. The people continued to hunger for sugar, and talk about other means of producing it. Prior to the coming of the railroad in 1869, the excessive cost of sugar in Salt Lake City caused a drain on the purses of the Utah people that Brigham Young wished to stop. The disappointing experience at Sugar House did not change his desire for the development of a local sugar industry. In 1863, eight years after the closing of the Sugar House plant, he said:

"Importing sugar has been a great drain upon our floating currency. I am satisfied that it is altogether unnecessary to purchase sugar in a foreign market. The sorghum is a profitable crop, in Great Salt Lake and the adjoining counties, for the manufacture of molasses; in this section it can, I believe, be profitably raised for the manufacture of sugar. I have tasted samples of sugar produced from the sorghum raised in the south of Utah and a better quality of raw sugar I never saw. Let some enterprising persons prosecute this branch of home production and thus effectually stop another outlet for our money. Sugar ranks high among the staples of life and should be produced in great abundance."

Leading the drive for a home sugar industry was Arthur Stayner who began, as early as 1880, experimenting with different varieties of sugar cane on his farm at Farming-
ton, Utah. Mr. Stayner erected a small plant at his own expense and conducted manufacturing experiments for a number of years. To him can be given the credit for keeping alive the determination to produce sugar at home. In the year he began his experiments with sugar cane he persuaded the Territorial legislature to offer a bounty of $2,000.00 for the first 7,000 pounds of marketable sugar produced in Utah. In 1882 the bounty was increased to $5,000.00, and Arthur Stayner persisted until he won the award.

In 1886 after Mr. Stayner had won the bounty, he with the support of about fifty leading citizens, who contributed $25,000.00, organized the Utah Sugar Company. However, people in general lacked faith in sugar cane as a source of sugar in Utah, and their skepticism, evidenced by lack of investment in the venture, prevented the company from going ahead with its plans. Later events proved that this skepticism was justified.

After Arthur Stayner had failed to get the support of either the people or the Church of Jesus Christ of Latter-day Saints in his cane sugar project he accepted defeat and in 1889 turned to the investigation of beet sugar production, which had been successfully established in California by E. H. Dyer and Claus Spreckels. Men who had refused to follow

1. Ibid., pp. 62-63
him in his cane sugar venture and the Church, now led by Wilford Woodruff, rallied to his support.

In the spring of 1889, after Mr. Stayner had reported the results of his investigation of the California Beet Sugar Industry, President Wilford Woodruff sent a committee, which included Heber J. Grant, to California with Stayner for the purpose of conducting a formal detailed investigation. The committee returned with a unanimously adverse report. "After hearing the report of the committee, which was intended to discourage him, President Woodruff appointed another committee which again included Mr. Grant who said: 'Why send me, President Woodruff? I have already made an adverse report and signed my name to it.' President Woodruff's reply was: 'Never mind the report, Heber. I want to convert you. The inspiration to me is to establish the beet sugar industry here.'"

The second committee submitted a favorable report and on August 30, 1889 twenty-eight citizens of Utah became the incorporators and first stockholders of Arthur Stayner's reorganized Utah Sugar Company. The first officers of the corporation were: Elias Morris, President; Francis Armstrong, Vice-President; James Jack, Treasurer; and Arthur Stayner, Secretary and General Manager.

A factory site was chosen at Lehi, Utah, and the E.

1. Ibid., p. 75.
2. Ibid., p. 75.
3. Ibid., p. 76
H. Dyer Company of California was awarded the contract to build the factory at a cost of $400,000.00. The contract included a provision requiring the representatives of the construction company to operate the factory the first year or until it had met all of the requirements called for in the specifications.

This project, that began with such enthusiasm, met difficulty in the form of the panic that was then developing. The contract for the building of the factory had already been signed, and to cancel it meant a forfeit of $50,000.00. Directors and stockholders were almost unanimously in favor of cancelling the contract, paying the forfeit, and postponing the project until more favorable economic conditions prevailed.

When President Woodruff was advised of this opinion he said in substance:

"Gentlemen, we must proceed with the building of this factory. I have felt inspired to recommend it and in these difficult times I have prayed about it. When I have asked the Lord if we should abandon the idea, darkness has appeared before me. When I have asked Him if we should proceed, light has appeared. It has been my life-long practice to follow the light in such circumstances. We will build this factory if it breaks the credit of the Church."2

As a result of President Woodruff's stand it was decided to go ahead with the building plans. Heber J. Grant, then a young man in his early thirties, was given the responsibility for raising the necessary capital. In later years, after he had become president of the Mormon Church, Heber

1. Ibid., p. 77.
2. Ibid., p. 81.
J. Grant related how the last hundred thousand dollars were raised:

"In 1891, the presidency of the Church used me as a special agent to raise funds to build the factory at Lehi, Utah. That year a panic came and many of the subscribers for stock were unable to make good their subscriptions. The last $100,000.00 needed was loaned by Wells-Fargo & Company of San Francisco. The manager of the bank there had formerly managed their branch at Salt Lake City, and I was, at one time his personal clerk. He told me that it would be impossible to lend money, a thousand miles away, on local security, in the midst of a panic. I told him he believed in me as a boy and I now wanted him to believe in me as one of the fifteen men managing the Mormon Church.

He said, 'My boy, I would gladly lend you the money but my loan committee would not approve of my doing so.'

I finally said, 'Mr. Wadsworth, the Mormon Church will be alive when you and I are dead. I am sure that I can get your four notes of $25,000.00 each of the Mormon Church, payable in six, twelve, eighteen, and twenty-four months, and if you will write the names of twenty-five of the financially strongest Mormons in Salt Lake City, I can get twenty of them to guarantee these notes.'

He laughed and said, 'My boy, you can not do it.'

I said, 'Do not ask anything more; I know that I can do it.'

'All right,' he said, 'if you can, you may have the money, and I will give you a hundred per cent better margin. You have asked for a margin of five, and you can have a margin of ten. I will write thirty names, and you get any twenty of the thirty and you can have the money.'

1. Heber J. Grant was at that time a member of The Council of the Twelve Apostles of the Church of Jesus Christ of Latter-day Saints. That body of twelve men together with the first presidency, three men, compose the fifteen men mentioned by Mr. Grant.
He wrote five or six names and then he smiled and tore up the paper and said, 'Heber, let me see--1875 to 1891--sixteen years; many a man who was well-fixed sixteen years ago, when I left Salt Lake City, is busted now. I will write to my successor in Salt Lake and ask him to write the thirty names and tell him to hand you the $100,000.00 and draw on me with the notes attached, if you get your signatures, and I will not even submit the matter to my committee.'

I secured twenty-four signatures, three of the men were out of town. Only two of the thirty declined and David Eccles overheard the discussion preceding their decline when I solicited their endorsements. He said, 'Heber, I overheard your story. Is my name one of the thirty?' 'No,' I said, 'I never thought of going to Ogden for signatures.'

He remarked, 'I would like to look at the notes.'

I handed them to him. He did not read them but turned them over and endorsed them, and as he handed them back, remarked--'Heber, my name won't hurt them.'--and, by the way, he could have bought all the property belonging to the other twenty-four--'And when a note of the Mormon Church is not good for $100,000.00 Salt Lake will be like Nauvoo, Illinois--excuse my profanity--too damned hot for a Mormon to live in. Anytime the president would like to have my name on another $100,000.00 come up to Ogden, it will be a pleasure to endorse the Church's notes, I will take them up and he can pay me in one year, five years, or whenever it is convenient...''

The needed funds were obtained, the factory was built and on Thursday, October 8, 1891 the first beet sugar factory in America to be built by American workman with all-American equipment began operations at Lehi, Utah. A forty year dream had been realized.

2. The California plants were built utilizing European machinery under the supervision of European technicians.
At the time the Lehi sugar factory was built the acute need for sugar of the people of Utah had been eased. The completion of the trans-continental railroad in 1869 had solved the transportation difficulties and effectively tied the territory with the markets of the East. However, it was firmly believed by those in influential positions that a sugar industry in the area would be of great economic benefit to the people of the area, through the keeping of money at home and the providing of a cash crop for the farmers of the region. Brigham Young, during his life, supported the development of home industry and did everything within his power to make his followers as independent of outside commercial interests as possible. This philosophy carried over to his successors and to the very people themselves.

"The year before the Lehi factory started, the Federal Government loaned its encouragement to the domestic industry by passing a law providing for a bounty of two cents a pound on all home grown sugar. This law was repealed in 1894 before the crop of that year was processed. The company earned about $50,000.00 in bounties during the time the law was effective."

At first the success of the Lehi plant was modest; it was, in a sense, an experiment and many operational difficulties had to be ironed out. Before the end of the century

1. Ibid., p. 102.
the results of the Lehi operation began to attract national attention and excite interest in building factories in other areas. Particularly when "the fat Dingley tariff of 1897 hot-housed the United States beet sugar industry into its greatest period of growth."

The solving of early operational difficulties, followed by the protection from foreign competition provided by the Dingley Tariff Act resulted in such successful operation of the Lehi Mill, that in 1902 the possibility for expansion of the industry in the Intermountain West stimulated the interest of Henry C. Havemeyer, then president of the American Sugar refining Company, to such an extent that he purchased controlling interest in the Utah Sugar Company. Control of the Utah corporation remained in the hands of the American Sugar Refining Company until 1913 when Charles W. Nibley purchased its entire holdings.

The success of the Lehi plant led the Utah Sugar Company to establish a second factory at Garland, Utah in 1903. In the same year a beet sugar factory was projected by a new corporation, the Idaho Sugar Company, at Idaho Falls, Idaho. In 1904 the Fremont Sugar Company was organized and a factory built at Sugar City, Idaho. In 1905 the Western Idaho Sugar Company

1. Ibid., p. 103.
4. Ibid., p. 106.
5. Ibid., p. 107.
was organized and a factory built at Nampa, Idaho. During this same period the Snake River Valley Sugar Company was organized and built a factory at Blackfoot, Idaho. All of these Idaho companies were financed principally by the stockholders of the Utah Sugar Company. Finally on July 18, 1907 they were all merged into the Utah-Idaho Sugar Company. Thus the Garland factory is older than the corporation that now owns and operates it.

The Garland factory, as have most of the other mills of the company, has depended upon seasonal agricultural workers and farmers, who had completed their farm work, for the labor force needed during the sugar manufacturing period each year. During most of the time the plant has been in operation the labor supply has been more than adequate to meet the demands of the manufacturing season, and the company has been able to set wages, working hours, working conditions, etc. with a minimum of outside interference.

Since it was built, in 1903, the Garland plant has operated every year. With few exceptions the plant has enjoyed profitable years. Those few exceptions have been due to short beet crops caused by unfavorable growing seasons or plant blights that interfered with the normal development of sugar beets.

The Garland unit, through providing the farmers of the area a

1. Ibid.
2. Ibid.
3. Ibid.
4. Ibid.
market for a cash crop, has been of economic importance to the Bear River Valley. The by-products, beet pulp and molasses, have stimulated livestock feeding and have been a factor in the growth of that industry in the valley. The plant serves an area of 50,000 acres in size and has a cutting capacity of 2,000 tons of beets per each twenty-four hour day. It has played, and continues to play an important role in the economy of the Bear River Valley.

LOCAL NO. 23461 OF THE INTERNATIONAL COUNCIL OF SUGAR EMPLOYEE'S UNIONS. During the summer of 1942 an organization move was started among the plant employees by a few of the more aggressive local company employees. A petition was drawn up and circulated which was signed by about two-thirds of the yearly plant workers. This action resulted in a contact with the International Brother hood of Teamsters of the American Federation of Labor. The Garland men felt that they did not have anything in common with the teamsters and voted against affiliating with them.

The company, upon being informed of the intention of the Garland men, dispatched a delegation to meet with them. An agreement that had been negotiated with the Union at the organized Idaho Falls, Idaho plant was discussed, and the company

1. The Idaho Falls, Idaho plant of the Utah-Idaho Sugar Company was represented by local 22936 of the Sugar Employees Unions, which was organized in 1941. At the time the Garland factory was planning organization, the mills at Shelley, Idaho, Sugar City, Idaho, Chinook, Montana, and Belle Fourche, South Dakota were all organized and affiliated with the American Federation of labor.
promised the Garland workers the same treatment that the agreement with the Idaho labor unit provided for. In consideration of that promise organization plans were dropped.

Shortly after the 1942 sugar processing season began the company cut wages in several job classifications, placing the men in these classifications on a lower wage rate than men in the same classifications at the Idaho Falls mill. Plans for organization were then determinedly resumed. Mr. R. E. James, an organizer for the Sugar Employee's Unions, was contacted and the plant was organized in an orderly manner without interference from the company or the community.

Local 23461 was chartered as a Federal Local by the American Federation of Labor, July 7, 1943, with the names of seven of the Garland plant's employees appearing on the charter. In addition to the seven, twenty additional men joined the union between the time the charter was applied for and the time it was received. These twenty-seven men comprised ninety per cent of the men working at the plant who were eligible to join the union.

In 1943 Local 23461 negotiated a separate agreement for its members with the sugar company. After that an Inter-factory Committee was set up with delegates from each local and contracts were negotiated on a company wide basis. On May 1

1. A separate contract allowing for the difference of living conditions has normally been negotiated for the Montana Mill.
lst, 1945 at an organization meeting in Hotel Temple Square, Salt Lake City, Utah, with delegates representing Sugar Workers Unions from the states of Oregon, Utah, Idaho, Iowa, Nebraska, Montana, Wyoming, South Dakota, Minnesota, Colorado, and Kansas, the Midwest Council of Sugar Workers' Unions, affiliated with the American Federation of Labor, was organized. Since then it has expanded into the International Council of Sugar Employee's Unions and has taken its place with the other international affiliates of the National Federation.

During the seven years Local 23461 has been in existence it has successfully negotiated, through its delegates, contracts with the Utah-Idaho Sugar Company each year, settling all points of difference over the bargaining table, gradually strengthening its position with both the company and its members until now as it moves well into its eighth year it feels secure in its position as bargaining agent for its members.

COMPANY PERSONNEL POLICIES

HIRING AND FIRING. As a general policy these matters have been left largely to local management with the superintendent and master mechanic establishing the broad over-all policy. The hiring of additional men during inter-campaign has been, and still is done by those two men. The outright firing of yearly men has been rarely resorted to; however, local execu-

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1. As yet negotiations take place on not larger than a company wide basis. However, a move is now underway to take up the pension problem on an industry wide basis.
tives have had and still have the power to discharge such men for cause. Prior to the organization of the union where discharge of either yearly or seasonal workers occurred the only recourse open to the men involved was to appeal to the general executives of the company which was usually futile. As is usually the case in most organizations, superiors support actions of subordinates when such subordinates act in the scope of their authorized authority.

In the hiring of campaign workers the operating foremen were given considerable freedom in hiring men for their departments; however, the employment of any man was subject to the approval of the superintendent. A few days prior to each campaign the company would have all former campaign workers who were returning, and those who were applying for work for the first time assemble at the plant. Repeating workers were then assigned to their old positions or to new ones, where there were vacancies in a higher paid classification, and assigned to shifts. Usually returning men were assigned to the same foreman they had worked under the previous campaign. However, that was not always the case, but where men were changed from one shift to another the foremen concerned were consulted. Attempts were always made to fill key positions on each shift with the most experienced personnel available. Where that was not possible the most efficient foremen in the training of new men were assigned the inexperienced workers and given the res-
ponsibility of qualifying them for the assigned positions.

During campaign when vacancies occurred through dismissal or through men quitting the foremen had authority to hire replacements. Except during periods of labor shortages, such as the war period, there were men at the plant looking for work at the beginning of each shift, and the foremen needing additional men, either as permanent replacements or as temporary helpers, chose the needed help from among these men.

The operating foremen also had authority to discharge men under their supervision if conditions warranted it. For instance, men were fired by their foremen for being habitually late for work, for unexcused absence from work, for failure to perform in a satisfactory manner, for sleeping on the job, and for reporting to work in an intoxicated condition. The action of the foremen in discharging men was usually final and the superintendent rarely reinstated a man who had been fired by his foreman.

Prior to the appearance of the union if the superintendent, master mechanic, and foremen were fairminded, impartial men, hiring and firing was accomplished in a non-discriminatory manner. However, as there was no procedure by which workers could take up alleged discrimination with the company without incurring the ill will of their immediate superiors, hiring and firing was subject to the personal prejudices and dislikes of the local supervisory personnel. Therefore, the
policy regarding hiring and firing at the Garland Plant was just as fair and no more so than the people who executed it.

The organizing of the union did not rob the local management and its agents of their authority in these matters, but it did prohibit them from discriminatory practices in the discharging of employees.

**PROMOTIONS.** Local management has had a free hand in the promotion of plant employees up to and including sugar boilers and utility men. At times when other plants have been closed down or permanently withdrawn from operation, men have been brought in from such plants to fill positions where vacancies have existed. In the absence of such conditions, however, the promoting of men to those grades and ones lower have been and are the perogative of the local management. Department foremen usually promote men to fill vacancies in supervisory positions within their department, subject to the approval of the plant superintendent. Promotion to the ratings of Utility man and Sugar Boiler are made by the superintendent from the ranks of plant employees. Promotions above these ranks are made by the general management upon the recommendation of the superintendent.

1. Men who operate the vacuum pans where water is finally evaporated from the product leaving the white crystals of the finished product. It is an operation requiring a high degree of skill and upon its success depends the fineness and uniformity of the grain of the sugar.

2. Assistant foremen who assist general foremen in the operating the Beet-End of the plant. The Beet-End department in the mill is the largest department and the only one that requires an assistant foreman.
Since the advent of the union vacancies are announced and men who feel themselves qualified are encouraged to apply for the position open. The positions are then filled from the applicants, consideration being given to both seniority and competency. Men being considered for positions of department foremen, general foremen, and higher are contacted by the general superintendent in company with the plant superintendent and then alone by the general superintendent. Prior to the organization of the union this procedure was the same, except that application forms and written applications were not used.

LAY-OFFS. The average number of inter-campaign workers in the mill is thirty men, and in the outside department six men. However, that number varies during the year and from year to year. During various periods of the inter-campaign season different numbers of men are required depending upon nature of the work being done. Also years in which technological changes are being made, or extensive work is being done on beet collecting stations and the canal system more men are required than during other years. As men kept on the payrolls after campaign are chosen from among the campaign workers, there is the problem of deciding each year who is to be laid off and who is to remain on the pay roll.

Prior to organization the decision as to who would be laid off at the end of the manufacturing period was made by the local superintendent and the master mechanic. The
company encouraged the recognizing of seniority in making the decision, competency being equal. The company, desiring a stable competent work force, realized that it could not ignore seniority without aggravating the problem of employee turn over. Whenever it was possible, therefore, it was the general company policy to give due regard to men who had been with the company longest. However, this policy was not always carried out by the local management. Friends and relatives of the local company officials, including foremen, were usually given preference over others when extra men were kept on the force and when lay-offs were made. Also there were times when men were sent to Garland by the Salt Lake City office and given preference over local men where there was no difference in competency and the local men clearly had seniority.

Organization has not corrected all of the abuses that formerly existed. A seniority clause was included in all of the collective bargaining agreements that have been in effect since the union entered the scene, but it reserves the right of judging competency to management and where there is any real temptation to disregard seniority it can be done under the competency clause. However, employees have the right of appeal through the grievance procedure provided for in the

2. Ibid., Article XV, pp 16, 17, & 18.
collective bargaining contracts when they believe that flagrant abuse of seniority under cover of the competency clause has occurred. Without doubt this right has decreased the number of discriminatory acts.

When it has been necessary for the company to keep a man on the force during inter-campaign who had less service with the company than men who were laid off management has consulted with the union before making the decision, even though the Union-Management agreement does not require it. For example, in one instance some changes were being made in the plant that required an unusual amount of electrical wiring and the installation of electrical equipment. The men with the highest seniority rating were not qualified for the job and using them would have meant an expensive training period. The company executives talked the problem over with the union officials and it was mutually agreed that the electricians with lower seniority rating should be used in favor of mechanics with higher seniority rating who were not qualified for the electrical work.

From the standpoint of the union the present seniority policy of the company, although an improvement over pre-union periods, is unsatisfactory. The company thus far has successfully resisted all attempts by the union to have the competency clause, which reserves judging of competency for the company, deleted from the contract. It is likely that
this will be a matter of controversy between the two parties for some time.

TRANSFERS. Early in the history of the company, when it was expanding, transfers were necessarily frequent. New plants required experienced men for key positions and the only source of such men was the older plants of the company. Many of the key men at the Garland plant are men who learned their sugar manufacturing skills at the Lehi, Utah plant and the same is true of most of the other plants of the company. The Garland plant, being one of the oldest in the company has also furnished its share of key operating personnel for newer plants. Through such transfers men, of course, usually gained promotion.

When a man is transferred at the request of the company to another plant the expense of moving him, his family and his household goods is born by the company. As plants are located in the states of Washington, Montana, Idaho, Utah, and South Dakota such transfers can be very expensive to the company. However, when a vacancy in a key position exists in a plant, and the man best qualified to fill that position, in the estimation of the company, is located at a plant distant from the one where the vacancy exists the company does not hesitate to make the transfer.

Since pre-union times it has been the policy of the company to contact the man for whom transfer is being consid-
ered and discuss the matter with him. Usually such transfers involve a promotion. If such is the case and the man refuses the transfer he loses the promotion and also removes any possibility for future promotions in the company. However, there have been times when men have been transferred when the transfer did not mean promotion or even meant reduction, the only alternative to the move being cessation of employment with the company. In the latter case transfer has sometimes resulted because of personal dislike of the man by the plant superintendent or the district manager, and sometimes because of inefficiency of the man concerned, or his inability to get along with other men at the plant.

During the past few years plants at Sugar City, Idaho, Blackfoot, Idaho, Shelley, Idaho, and Spanish Fork, Utah have been closed. In so far as possible the company has tried to take care of yearly men from these plants by placing them in other plants of the company where vacancies occurred. Men from the Spanish Fork, Utah and the Idaho plants have been transferred to the Garland mill to fill occurring vacancies. Thus the company attempts to take care of loyal employees who are displaced when it becomes necessary to withdraw a plant from operation.

In the case of inter-factory transfers the transferred employee carries with him such seniority rating as he
may have obtained in the plant from which he is transferred.

PATERNALISM. Paternalism, always a sore spot with unions, has not had an important place in the policies of the Utah-Idaho Sugar Company; although, some paternalistic practices have been pursued during various periods of the company's history.

Formerly the company owned a large number of houses in Garland that it rented at reasonable rates to its yearly employees. It maintained these houses using company labor to paint, paper, and repair these houses. It also permitted employees to purchase coal at cost from company stocks. Until the union entered the scene yearly men were given bags of sugar as Christmas presents each year. By the time the union was


2. These houses were built at the time the mill was constructed to provide housing for the yearly employees. At first these houses were rented only to company men but as time went on employees bought homes of their own and the company was forced to rent to other than its own employees or let the houses remain vacant. By the mid-thirties it had sold most of its houses, keeping only those in which its employees lived. The housing shortage that accompanied the war found the company needing the houses it had disposed of to house employees that had come in to replace men who had quit or had been retired.

3. As this practice necessitated the stocking of types of coal, such as stove, lump, and nut, that were not used in the plant the company discontinued this practice about 1930. About that time it ceased to purchase wallpaper and have it hung by company men; however, it continues to maintain and redecorate the houses using independent workers as any other landlord would do, allowing a minimum amount to be spent on each house each year. Anything in addition to this minimum must be done at the expense of the renter.
organized the company still owned a few houses which it rented only to employees and was still giving bags of sugar each year as Christmas presents but the other practices had been dropped. Paternalistic practices on the part of the company has not been a controversial issue between the company and the union.

**INDUSTRIAL JURISPRUDENCE.** Before organization, settling of grievances was strictly on a personal basis between the men and their foreman, the master mechanic, or the superintendent on an individual basis. If a man felt that he had been treated unfairly his only recourse was to go to one of the three mentioned above, if he could get an audience, and state his case. If the supervisor was a fair minded man he would listen to the man's story and attempt to clear up any misunderstanding or correct abuses found to exist. However, if the supervisor was not fair minded he would tell the worker that if he did not like the treatment he was getting he could either take it or find employment elsewhere, and label him in his mind as a trouble maker or complainer and get rid of him at the first opportunity presented. The handling of grievances was entirely in the hands of local management. There was no method or procedure recognized by the company through which employees could be assured of a fair impartial hearing.

This situation was changed by the first collective bargaining agreement negotiated after the plant became affiliated with the Union. Through elected representatives the men
were assured that all grievances would be taken up for them with the management with the backing of the group, and that they were guaranteed against the discrimination that had been possible before organization. The fact that their cases would be heard without prejudice, whether decided in their favor or not, was of great importance to them and contributed to an immediate improvement in moral.

In the opinion of an important management official one of the real contributions unions have given their members is the machinery through which individual workmen are able to present their grievances to management without fear of reprisal, and he freely admits that the present system is superior to the one in effect prior to the entry of local 23461.

VACATIONS. As early as 1919 the Utah-Idaho Sugar Company was giving men who were paid on a monthly basis two weeks vacation with full pay. That policy was continued until the plant was organized and has been expanded since then. However, prior to unionization men paid by the hour did not participate in the vacation privilege. The first agreement negotiated between the company and local 23461 provided for vacations for the hourly men as well as the monthly men, giving two weeks vacation to those who had over two years continuous service with the company and one week vacation to those

1. Mr. J. O. Keane, General Superintendent, Utah-Idaho Sugar Company, expressed this opinion when I interviewed him in April, 1950.
with a minimum of one year of continuous service with the company.

From the beginning the company has regarded vacations as periods of recuperation for future service with the company and not as a reward for past service. The company firmly believes that a yearly vacation enables a man to maintain a higher level of productivity than he could otherwise maintain and acts accordingly.

SICK LEAVE. The company had no regular sick leave policy prior to the organization of its employees. However, that does not mean that the problem of sick leave was entirely ignored. Men who were absent from work for long periods were at times given part pay to help carry them over the emergency. Then when they were able to return to the job and do a limited amount of work they were given light tasks until they regained their strength. The company recognized that it had an investment in its key personnel and that expenditures made for the purpose of preserving that investment served its best interests.

It was not until 1948 that a sick leave provision was written into a collective bargaining agreement covering the Garland employees and then it included both yearly men and the seasonal campaign workers.

HOLIDAYS. Company policy has always provided holidays for men paid on a monthly basis, but the number of holidays and the holidays granted were not uniform from year to
year. Independence Day, Decoration Day, Thanksgiving Day, Christmas Day, and New Years Day have usually been holidays for monthly men when they fell during inter-campaign and were paid for on the basis of straight time when men were required to work on them. Holidays have not been, and at this time are not being granted during campaign. Hourly men simply did not receive pay for holidays on which no work was performed.

The first contract after organization provided for certain holidays for both monthly and hourly men, and stipulated that where men were required to work on those holidays they were to receive the overtime rate of time and one-half. Later this policy was broadened further to provide pay at double the straight time rate when employees were required to work on holidays that they otherwise would have received straight time rates for, providing those holidays fell during the inter-campaign period. Here again the company broadened its policy after the inception of the union.

WORKING HOURS. The standard working day and the standard working week have ranged from the twelve hour day and the eighty-four hour week, that prevailed prior to the enactment of the N. I. R. A., during campaign to the eight hour day and the forty hour week that has been in effect during both the inter-campaign and the campaign periods since

August 1, 1944.

During Campaign when the twelve hour day was used men on the day shift reported to work at 7:00 A. M. and worked until 7:00 P. M., and those on the night shift worked from 7:00 P. M. until 7:00 A. M. seven days a week. During inter-campaign a ten hour day, six day week was used with men reporting to work at 7:00 A. M. each morning and working until 5:00 P. M. Monday through Saturday. When the eight hour day was put into effect under the N. I. R. A. the inter-campaign working day was shortened to nine hours five days a week and four hours on Saturday. Later work during inter-campaign was limited to five days per week and by the time World War II began an eight hour day and a forty hour week was the rule during the non-operating period.

Prior to World War II no overtime pay in excess of the regular straight time pay was given. Regardless of the number of hours a man worked in one day or in one week he received the regular straight time rate for each hour worked. With the coming of the war the company had to comply with the Fair Labor Standards Act in order to participate in government contracts. In compliance with this act the company began paying at the rate of one and one-half times the straight time rate for all time over eight hours in one day and for all time over forty hours, except during campaign, in one week.

1. During campaign industries operating on a seasonal basis like the Beet Sugar Industry were exempt from the forty hour week provisions of the Fair Labor Standards Act.
When the union came upon the scene the company had in effect an eight hour day and a forty hour week during inter-campaign, and a eight hour day and a fifty-six hour week during campaign. The next year the union gained for its members who were employed by the Utah-Idaho Sugar Company a forty hour campaign week. And for the first time in the history of the plant the same base week applied during both the inter-campaign and the campaign periods.

HOSPITALIZATION, MEDICAL AND SURGICAL GROUP INSURANCE.
The company's first Employees' Group Medical, Surgical, and Hospitalization Insurance Plan was negotiated with the California Western States Life Insurance Company, Sacramento, California, April 30, 1939. This plan remained in effect until August 1, 1947 when a more liberal plan was negotiated with the Aetna Life Insurance Company, and the contract with the California company was cancelled.

For the purpose of this plan regular employees are defined by the company as follows:

"Those whose names appear on the company payroll and whose premiums are regularly paid for all months of the year.

Those regular workers whose names appear on the payroll for not less than nine months of the year and whose absence, not exceeding three months, is due to seasonality of employment, or leave of absence granted by the Management and whose premiums

1. At that time the Utah-Idaho Sugar Company was the only Beet Sugar manufacturing company that was not operating on the basis of a fifty-six hour campaign work week.
are regularly paid for the entire twelve months of the year.

Regular employees who have been absent from the company's payroll for a period not exceeding three months, and who subsequently are reemployed, will again be eligible without physical examination for the purpose of the Aetna Insurance, provided they notify the local office cashier within 31 days after re-employment that they desire to join.

The wives and dependent children will become eligible under the same aforementioned terms and conditions as the regular employees." 1

Eligibility requirements of the plan are outlined by the company as follows:

"Employees hired for permanent work will, regardless of physical condition, be eligible to join provided application card is executed during the first 31 days after two months of continuous employment with the company.

Temporary seasonal employees are not eligible to join this plan, unless and until they attain the status of permanent employees, and apply within 31 days after two months of continuous service from the date the company designates them as permanent employees.

The wives and dependent children of employe members will also be eligible for admittance provided the employee complies with the regulations governing admittance." 2

POLICY COVERAGE. Non-occupational accidents and all common disability such as tuberculosis, hernia, venereal diseases, conditions not common to both sexes, tumors, contagious diseases, alcoholism, and narcotic addiction are covered.

Disabilities for which an employee or dependent is

2. Ibid., p. 7.
not attended by a physician licensed to practice medicine are not covered.

Maternity is not covered on dependents and occupational accidents are not covered.

Benefits are paid for hospitalization in any legally operated hospital and for surgical operations by any physician or surgeon licensed to practice medicine in any part of the world.

If employment terminates, this insurance will cease, but insurance cannot terminate while the employee is disabled and receiving benefits. Upon retirement at age of 65, all benefits except the $20.00 weekly wage benefit will be continued by payment of all of the premiums, excluding the premium for weekly wage benefits as were paid prior to retirement.

The plan requires the Sugar Company to contribute 25% less dividends, if any, to the insurance company. The Sugar Company reserves the right to change, amend, or discontinue premium payments on the current level.

A recurrence, after the effective date of the insurance policy, of a former illness or injury, will be fully covered and the insurance of an employee cannot be canceled by the Insurance Company because of recurring claims.

The following table sets up the basic provisions of the plan in brief:
**TABLE I**

**SCHEDULE OF INSURANCE**

<table>
<thead>
<tr>
<th>Employee Classification</th>
<th>Employee Weekly Sickness &amp; Accident Wage Benefit</th>
<th>Maximum</th>
<th>Maximum</th>
<th>Maximum</th>
<th>Maximum</th>
<th>Maximum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Daily</td>
<td>Hospital</td>
<td>Hospital</td>
<td>Special</td>
<td>X-Ray</td>
<td>Surgical</td>
</tr>
<tr>
<td>All</td>
<td></td>
<td>Benefit</td>
<td>Benefit</td>
<td>Benefit</td>
<td>Benefit</td>
<td>Benefit</td>
<td>Benefit</td>
</tr>
<tr>
<td>Regular Enrolled Employees</td>
<td></td>
<td>$20.00</td>
<td>$3.00</td>
<td>$6.00</td>
<td>$50.00</td>
<td>$25.00</td>
<td>$225.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dependent</th>
<th>Maximum</th>
<th>Maximum</th>
<th>Maximum</th>
<th>Maximum</th>
<th>Medical</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily</td>
<td>Special</td>
<td>X-Ray</td>
<td>Surgical</td>
<td>Benefit</td>
<td>Benefit</td>
</tr>
<tr>
<td>Hospital Benefit</td>
<td>Benefit</td>
<td>Benefit</td>
<td>Benefit</td>
<td>Benefit</td>
<td>Benefit</td>
</tr>
<tr>
<td></td>
<td>$5.00</td>
<td>$50.00</td>
<td>$25.00</td>
<td>$150.00</td>
<td>None</td>
</tr>
</tbody>
</table>

**EMPLOYEE MONTHLY PREMIUM**

<table>
<thead>
<tr>
<th>Employee Without Dependents</th>
<th>Employee With one Dependent</th>
<th>Employee With Two or More Dependents</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2.84</td>
<td>$4.19</td>
<td>$5.59</td>
</tr>
</tbody>
</table>

**EMPLOYEES' PART OF THE PREMIUM**

will be deducted monthly from employee's checks.

The difference in cost is paid by the Sugar Company.

* An employee receiving medical treatment by a legally qualified physician for a disease for which benefits are not payable under any workmen's compensation law or for a non-occupational accident, will be entitled to reimbursement for the actual amount charged by the physician for the treatment, up to the following limits:

- Treatment at home: $3.00
- Treatment in hospital: $3.00
- Treatment in doctor's office: $2.00
PENSION PLAN. The Utah-Idaho Sugar Company first negotiated an Employees' Group Pension Retirement Plan with the Equitable Life Assurance Society of the United States on February 15, 1942. Three years later on February 15, 1945 the plan was considerably liberalized.

For the purposes of the pension plan regular employees are defined as those whose names appear on the company payroll and whose premiums are regularly paid for all months of the year. Employees who leave to enter the Armed Forces will again attain eligible status for pension insurance purposes provided they resume employment with the Sugar Company within 90 days after their discharge from such Armed Forces, and who apply for re-entrance into the pension plan within 60 days after resuming employment (premium payments are unnecessary during absence). Also employees whose absence, not exceeding 18 months, is due to sickness, accident or leave of absence authorized by the Sugar Company Management will attain eligibility upon resuming employment.

Eligibility requirements for pension insurance are as follows:

"After one year of continuous service, provided they are not less than 30 years, nor more than 64 years of age, regular employees, are eligible to join the group pension plan, no physical examination is necessary but applicants must sign

1. Ibid., p. 5.
The payroll deduction card which authorizes the Company to deduct the monthly premiums from the employee's check.

The plan consists of two features:

1. Pension income consists of two parts:
   (a) For service prior to February 15, 1942 to age 30 or to the date of last employment whichever is later.
   (b) Future service from February 15, 1942 (or from date of entering plan) to the retirement date, age 65.

2. The payment of premiums is divided between the employee and the Sugar Company as follows:
   (a) The Sugar Company at its own expense with no contributions from the employee, has contracted to pay for all past service benefits.
   (b) The Sugar Company and the employee members join in paying, in equal amounts, the premiums on future service benefits.

Deductions from member's salary or wage check will be made on the following basis:

<table>
<thead>
<tr>
<th>TABLE NO. II</th>
<th>On First $250.00 of Monthly Earnings</th>
<th>On Second $250.00 or Fraction thereof of Monthly Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>For employees joining at age 30 to 34</td>
<td>1 7/8 %</td>
<td>2 1/4 %</td>
</tr>
<tr>
<td>For employees joining at age 35 to 39</td>
<td>2 %</td>
<td>2 2/5 %</td>
</tr>
<tr>
<td>For employees joining at age 40 to 44</td>
<td>2 1/4 %</td>
<td>2 7/10 %</td>
</tr>
<tr>
<td>For employees joining at age 45 to 49</td>
<td>2 1/2 %</td>
<td>3 %</td>
</tr>
<tr>
<td>For employees joining at age 50 to 54</td>
<td>2 3/4 %</td>
<td>3 3/10 %</td>
</tr>
<tr>
<td>For employees joining at age 55 to 64</td>
<td>3 %</td>
<td>3 3/5 %</td>
</tr>
</tbody>
</table>

1. Ibid., p. 7.
2. Ibid., p. 24.
Changes in rate of monthly premiums are based solely on changes in employee earnings. For the purpose of the pension plan the maximum monthly earnings of an employee shall be $500.00.

Normally the retirement date is the first day of the month coinciding with, or next following the member's sixty-fifth birthday. However with the consent of the Insurance Company a member may elect to retire under a reduced pension on the first day of any month after age fifty-five, provided he has completed twenty years of service with the company, or is totally or permanently disabled.

The maximum monthly payment that could be made to a retired member of the plan is $108.10. In order to retire on this amount per month the member would have to have joined the plan at age 30 and have been receiving a monthly salary of not less than $500.00 and continued to receive a minimum salary of $500.00 until he had reached the retirement age of 65 years.

The size of the pension depends upon the length of service of the individual, his age when he joined the plan, and his earning rate during his employment.

Pension payments are made on the basis of equal monthly installments throughout the member's lifetime after retirement. If upon the death of the member the sum of the pension payments he has received is less than the sum of his own contributions to the plan, the difference between his total contributions
and pension payments received plus 2% compound interest will be returned in a lump sum to his beneficiary. If no beneficiary was named by the member prior to his death this amount will be paid to the first surviving class of the of the following successive beneficiaries: the member's (1) widow or widower, (2) children, (3) parents, (4) brothers and sisters, (5) executors or administrators.

Employment termination prior to retirement stops the premium payments made to the plan by both the member and the Sugar Company regardless of the cause of the termination. Upon such termination the member can: (1) leave his own premium payments with the Insurance Company, and commencing at his normal retirement date receive the part of the pension income which his own premiums will have purchased at that time; or (2) he may withdraw all of his own contributions with 2% compound interest.

To protect the members and the Company from unfore-

1. The member may five years prior to his retirement date, if in good health, designate a joint Annuitant. However, if he so elects, the payments received during his lifetime will be reduced in comparison to what they would have been if he had not so elected. Once such an election is made it cannot be changed or cancelled without the consent of the Insurance Co.

2. This termination provision does not apply if the member has completed 20 years service with the company, or has become totally and permanently disabled, or has reached the age of 55 and does not then or later elect refund of his own contributions. If he has such a vested right he will be entitled to receive at his normal retirement date pension payments purchased by his own as well as the Company's contributions.
seen conditions the Sugar Company reserved the right to change, amend, or discontinue the plan. However, no change, amendment, or discontinuance of the plan for any reason can affect the pension payments earned by the member's own payments or those made by the company for his benefit prior to such change or discontinuance.

GROUP LIFE INSURANCE. On November 1, 1938 the Sugar Company negotiated $1,000.00 Group Life Insurance policy for each employee with the Beneficial Life Insurance Company. This life insurance plan was amended on March 1, 1948 to give each employee $2,000.00 coverage if he desired it and paid the additional premium required.

For the purpose of the Group Life Insurance plan the company defines regular employees as follows:

"Those whose names appear on the company payroll and whose premiums are regularly paid for all months of the year.

Those regular workers whose names appear on the payroll for not less than ten months of the year and whose absence, not exceeding two months, is due to seasonality of employment or by leave of absence granted by the management and whose premiums are regularly paid for the entire twelve months.

Those regular workers who are absent from active work on account of sickness, or injury, or under written leave of absence from the General Management and during such absence the Sugar Company, for an indefinite period, continues to remit to the Insurance Company the premiums for such employees."

1. Ibid., p. 5.
A regular or a re-hired employee, as described above, becomes eligible to enroll in the Life Insurance Plan without physical examination after six months continuous employment, providing he makes application for such enrollment within 30 days after the six months period has ended. An employee otherwise meeting requirements who fails to make application within the stipulated time can only be admitted into the plan by passing a physical examination.

The group Life Insurance Plan provides for death benefits only of either $1,000.00 or $2,000.00, and the employee member cannot apply for amounts other than those two. Premium costs to the employee are 60¢ per month for a $1,000.00 policy and $1.20 per month for the $2,000.00 policy. The Sugar Company pays approximately a similar amount.

Insured employees with the consent of the Insurance Company may elect to receive death benefit payments in either one total sum or in monthly or annual installments.

In order for the insurance to remain in effect, not less than 200 employees, or an aggregate of 75% of the eligible employees must be subscribers to membership in the plan. The insurance ceases upon termination of employment or upon retirement; however, a member may transfer without physical examination to an individual policy by paying to the Insurance Company the premiums for his age at the time he becomes ineligible to remain in the group plan.
The Group Hospitalization Medical and Surgical Insurance Plan, The Group Pension Plan, and the Group Life Insurance Plan were established by unilateral action by the company. They were all placed into effect prior to the organization of the Garland plant. The changes that have been made since organization have not been made as a result of collective bargaining between the Company and the Union.

During April of 1960 the International Council of Sugar Workers and Allied Industries Unions met at Kansas City, Kansas for the purpose of drawing up a proposed pension plan, which it will attempt to make a collective bargaining issue on an industry wide basis when the present contracts with the Beet Sugar Industry have matured.

The following is the body of a letter from the president of Local 23461, a delegate to the April Convention referred to above, to the Chairman of the Pension Committee:

"Together with many other things that go to make up a well rounded out pension or retirement plan, I submit the following agenda for consideration, and recommend its incorporation into any proposals or suggestions submitted to sugar company officials for consideration or discussion.

I feel that the members of the pension committee are equally responsible for whatever may eventually develop as a result of the committee's effort to secure a pension plan that provides a maximum of security for workers in all categories and periods of employment, compatible with the continued expansion, development, and monetary requirements of the employer.

Keeping in mind that whatever we secure will come through collective bargaining, we may suggest:
a. That all employees with 25 years of service at the age of 55 shall be retired with a pension of $100.00 per month until he shall have become eligible for Social Security benefits.

b. That employees with 15 years service and who have not passed their 40th birthday, and all employees who have served 10 years between their 30th and 50th birthday, and are being separated from their employment at the will, or consent of the employer shall be eligible for 60% of the maximum pension as provided in section (a) above, until such time as he may become eligible for Social Security old age assistance. After which the employer may reduce the amount of his pension payment in an amount equal to whatever the employee may receive as a result of coverage by some other employer.

c. Employees with 15 years service and less than 25 years service at retirement age shall be eligible for a pension proportionate to section (a) above as his number of years of service bears to 25.

d. An employee who may become totally disabled as a result of an industrial accident shall be entitled to a pension of $100.00 per month for life, State Industrial Compensation inclusive, but exclusive of any insurance or security that the employee may have provided for himself.

e. Accident, health, hospitalization and welfare programs may be jointly financed by employer and employee. How these pensions are to be financed is a matter of collective bargaining. But, in any event, the protection and security so provided should be permanent, and not tied to year contracts or collective bargaining agreements.

f. A vesting clause, securing for the worker the annuity that may be purchased by any monies invested by or for him for that purpose, at any date in the future that something may occur to disturb the general economy or direction of our particular industry.

Security that does not extend to, and beyond, the evening shadows of life is not security and has no value. 1

The above indicates that the Sugar Employees Unions will attempt in the near future to gain for their members a

1. Letter, Mr. D. C. Owens to Mr. Dave Player, December 12, 1949.
pension plan following the pattern of the plans already in effect in the Coal Mining, Steel, and part of the Automobile Industries.

The present Pension Plan of the Utah-Idaho Sugar Company falls far short of providing the benefits suggested in the above letter. If the union presses for such benefits, and the company holds for a plan not much different than the one now in effect the differences will be wide and difficult to bridge. This will be especially true if the labor organization demands a plan like that in effect in the Steel Industry with 100% financing by the employer. The company is strongly against any pension plan that is not mutually financed and would resist such a plan to the fullest possible extent.

Even though the present pension plan was the result of unilateral action, to which the union was a mere bystander, it is very likely that the company could not escape bargaining with the union concerning pensions without running the risk of being cited for failure to bargain in violation of the National Labor Relations Act. The Circuit Court of Appeals has handed down a decision in at least one instance requiring an employer to bargain concerning provisions of a pension and retirement plan that had been in operation before the employer's establishment was organized.

1. INLAND STEEL COMPANY v. NATIONAL LABOR RELATIONS BOARD, Circuit Court of Appeals, Seventh Circuit, October Term, 1947, April Session, 1948, September 1948, 15 Labor Cases, Par. 64,737.
Prior to the entry of the union the personnel policy of the Utah-Idaho Sugar Company had been a loose, ill defined sort of arrangement. There was no set procedure for the handling of personnel problems. Certain broad principles of fairness were advocated by the General Management but there was no well defined or established uniform procedure for carrying them out. In the main personnel policy was left to the local management of the various plants and actual policy followed fitted the peculiarities of those who executed it. The entry of the union has gradually changed that. Definite procedure in the handling of personnel problems is being made a part of collective bargaining agreements, and through the process of Union-Management bargaining the company is being persuaded to adopt concrete policies regarding employee problems. It can be concluded that the union is responsible for that and will continue to press the trend in that direction.
NEED FOR ORGANIZATION AT THE GARLAND PLANT. During the depression years of the 1930's the employees of the Garland plant, with the permission of the local management, set up a welfare committee to represent them in the settling of grievances and to promote the general welfare of the employees as a group. The welfare committee was not able to obtain the desired goals because of interference by the district manager, who insisted that all welfare activities be submitted to him for his approval. In effect, he established welfare policy and dictated how it would be carried out. His decisions were arbitrary and carried implied threat of discrimination against anyone who crossed him in any manner.

On at least one occasion correspondance addressed to the committee was intercepted by the district manager and summarily answered by him without reference to the welfare committee. This happened in the early years of World War II when the committee was contacted by a sugar employees' union from California requesting support for defeat of an attempt to increase Cuban sugar quotas. The district manager was very pleased to have the plant employees request their congressional in Washington to oppose any change in the existing quotas that would increase imports. However, when the attempt had been defeated and the status quo preserved, he had no desire for further com-
munication between the union and the men under his supervision. And when an organizer from the California Union wrote the welfare committee inviting the Garland men to become affiliated with organized labor the district manager intercepted the letter, informed the organizer that the local employees were not interested in unionism, wrote in red pencil across the face of the organizer's letter "not interested" and passed the communication on to the welfare committee.

A strong feeling of insecurity among the employees of the Garland plant had been prevalent for a long time. Personnel policies of the company were administered by the local superintendent according to his prejudices, likes, and dislikes. Sons, sons-in-law, and other relatives of the superintendent had been promoted over the heads of employees senior to them. Men had been fired outright or permanently laid off because of personal dislike or prejudice on the part of local management officials. In several instances pay advances authorized by the company had been arbitrarily held up locally and put into effect after officials from the general office had accidentally found that they had not been granted when authorized.

Nepotism has played a large role in the history of the Utah-Idaho Sugar Company. The same family names appear again and again throughout the history of the company, and many of the company executives, reaching down to the plant assistant superintendent level and even lower, are rather closely related.
Men without relatives in key management positions found it difficult to advance far on their own merits. Yearly men had been subject to sudden and unexplained transfers at considerable inconvenience to themselves. So prevalent had been this practice that at one time yearly employees of the Utah-Idaho Sugar Company were commonly referred to as "sugar bums." If the company had any seniority policy it was so broken up by the practice of nepotism, favoritism, and transfers that it was meaningless and unrecognizable to employees in general.

A source of dissatisfaction among the seasonal campaign workers was the practice of sending men from the Salt Lake City area to the Garland factory to fill operating positions that had been previously held by local men. Men who had worked at the plant during previous manufacturing seasons would return at the beginning of a campaign to find that their jobs had been filled by these outsiders sent in by the general officials, and if other places in the plant could not be found for them they would go jobless. This practice was carried on quite extensively during the depression years when jobs were at a premium and thus perpetrated maximum hardship on the local men displaced. Each year saw a new group of these outsiders come in and it was seldom that one of them worked more than one campaign. When World War II brought a labor shortage none of these favored outsiders were available and the company had to rely on the very local men it had discriminated against dur-
The sense of injustice nurtured by these local workers did not vanish with the development of the labor shortage and when the union appeared upon the scene they, for the most part, met it with favor.

Every change in plant superintendent brought about changes in key personnel. The new superintendent brought with him favorites from his previous assignment. The men displaced by these favorites either stepped down, forcing a general downward plant adjustment, or were transferred to other factories.

Over-time work had long been a cause of dissatisfaction among the men. Although, the twelve hour campaign working day and the nine hour working day of inter-campaign that had been standard throughout the company had been shortened to eight hours under the N. I. R. A., during the early years of the first Roosevelt administration, men were frequently required, upon immediate notice, to work extra shifts or extra hours at the regular hourly rate of pay, regardless of the personal inconvenience involved. Men either complied or ran the risk of being discharged, or of incurring the ill will of local management.

The superintendent was a man of the old school, steeped in the conviction that the only boss who could get results was the hard boiled one. His decisions were final and once made could not be appealed. In some instances he had blocked advancement of men because the advancement meant transfer and he feared that the loss of the key personnel involved would decrease ef-
ficiency of the factory and thus damage his reputation with the company. Employees report that in one instance the company planned to send a general foreman from the Garland plant to the mill at Toppenish, Washington as Assistant Superintendent. The Garland superintendent was directed to contact the man concerning the transfer and advancement. The superintendent notified the company that the general foreman was not interested and had declined the opportunity without even notifying the man that he was being considered for promotion by the general office. Other arbitrary actions contrary to the general welfare of the employees and sometimes not in accord with company policy were periodically coming to light, with the inevitable exaggeration that accompanies plant gossip.

The majority of the employees were members of the Church of Jesus Christ of Latter-day Saints, which has been suspicious of labor unions or any other organization that in any manner interferes with, or restricts the freedom of action of its members. A number of the church leaders have been and are strongly anti-union and have expressed their anti-union sentiment very forcefully both from the pulpit and in public

1. The company denies this, but men who worked at both the Toppenish, Washington plant and the Garland, Utah plant say that it is true. Whether it actually happened or not it indicates the nature of the men's feeling toward local management.

2. Joseph F. Merrill, FREEDOM OR MONOPOLISTIC DOMINATION BY SELFISH GROUPS. (Address delivered at the Friday Session of the 120th Semiannual General Conference, September 30, 1949, in the Tabernacle), THE IMPROVEMENT ERA, November 1949, pp. 709, 772, 773, & 774.
addresses, as well as through editorials in the Deseret News. The men had, for the most part, been raised, educated, and trained in rural areas where individualism is strongest and the attitude of people in general is not conducive to the organization of labor unions. By the very nature of their training and background most of them were not sympathetic to the general union movement. Many of them at various times had voiced strong criticism of union activity in some of the fields of industry. Yet some of these men who had been most critical of the union movement were the most active in organizing Local 23461. What caused their change of attitude?

The answer, of course, was the sense of injustice concerning company treatment and the deeprooted feeling of insecurity that prevailed among the workers caused by company personnel policy, or lack of it, and its administration by local management as explained in the above paragraphs.

During July 1942 the following petition was circulated among the employees of the Garland mill:

"We the undersigned, employees of the Utah-Idaho Sugar Company, Garland Factory, do hereby petition the officials, both local and general, of said company and the officials of the American Federation of Labor for their cooperation and assistance in securing a local labor organization with charter and contract in keeping with that which is in effect at other organized factories of the company.

In order that there shall not be any discrimination or suspicion of discrimination against any individual signer or signers of this petition it is so arranged that names will appear in alphabetical order and, be it also understood that no individual is responsible for taking initiative in this action but it is a mutual action by all for the benefit of all parties concerned."
This petition was signed by nineteen men, about sixty per cent of the yearly employees eligible for union membership. As a direct result of this petition Fulmer Latter, President of the Utah State Federation of Labor, arranged a meeting with the Garland men and brought a west coast organizer from the International Brotherhood of Teamsters to the meeting with him. This organizer, in his efforts to sell the sugar workers his union, stressed the power that would come to them through his international organization. He emphasized the idea that such power would give them a whip hand over their employer and place them in a position to dictate by force their demands to the company. He also advocated the use of rough tactics in bringing any anti-union workers into line. The organizing methods and propositions of this man did not meet with the approval of the group. In his presence they voted not to become affiliated with the International Brotherhood of Teamsters, and informed him in forceful language that they had no use for either his propositions or his organization.

The company, upon receipt of the petition, sent a delegation from the general office to Garland to discuss the matter of organization with the local employees. A copy of the contract that had been negotiated with the organized workers of their Idaho Falls, Idaho plant was presented to the Garland men and explained to them. The company delegates gave assurance that the general management did not believe in unequal
treatment of employees in different mills as that practice could only result in a house divided against itself. The men were guaranteed that they would receive the same treatment that the contract provided for the Idaho Fall employees and, upon that basis, asserted that there was no need for the Garland workers to organize as they could get all the benefits of organization without the expense of building and maintaining a labor bargaining unit. Taking that guarantee and assertion at face value, the men dropped their organization plans.

Had the company lived up to that guarantee it is unlikely that the plant would ever have been organized. However, shortly after the 1942 manufacturing period began wages were cut on some job classifications and other changes were made that nullified the guaranteed equal treatment. When such practices continued with no indication of correction the old feeling of unrest and insecurity, that for a time had been forgotten, came to the front again. Men who had been lukewarm in their attitude toward organization became very active in its support. Mr. R. E. James, an organizer for the Beet Sugar Refinery Employees Unions, an affiliate of the American Federation of Labor, was contacted and invited to organize the plant. The failure of the company, contrary to its desires and to its great chagrin, welded the Garland men together in a determined effort for organization that could not be successfully interfered with by the employer or anyone else.
From that point on plans for organization moved ahead smoothly and rapidly. On July 7, 1943 Local 23461 received its charter as a Federal Local from the American Federation of Labor and was ready to grapple with the company as bargaining agent for its members. This final organizing attempt did not meet any opposition from the company nor from anyone in the area the factory served. All concerned seemed to recognize that organization was inevitable and that any attempt to interfere would be futile. The first contract was negotiated during July of that year, becoming binding upon both parties as of August 1, 1943.

Local 23461 was organized with seven charter members and by the time the charter was received twenty additional men had joined the unit. These twenty-seven comprised ninety percent of the yearly mill workers, so there was no doubt about the union representing a majority of the men concerned.

When the mill is in operation manufacturing sugar, the campaign, about two hundred and fifteen men are employed. During the non-operating period, inter-campaign, the average of thirty men are continued on the pay roll doing maintenance work in the plant preparing it for the next campaign. This group includes the operating foremen, mechanics, welders, and other key personnel who are employed on a yearly basis as contrasted with the strictly seasonal workers who are employed only during campaign. The outside department, which maintains
the companies beet collecting stations and the company owned irrigation system, employs an average of six men on a yearly basis. Local 23461 was organized by the full time mill operating workers to represent the operating employees and did not include the men working for the outside department. As the union was organized during inter-campaign it represented ninety per cent of the men it was bargaining for at the time the first contract was signed. When campaign started at the end of September 1943 the union made a drive for members among the campaign workers. Over ninety per cent of these seasonal workers became affiliated with the labor organization and since then the per cent of campaign employees belonging to the union has never dropped below ninety per cent. During the season they are employed these men are active dues paying members of Local 23461, and during the non-operating period they are carried as inactive members without obligation to pay dues in order to remain in good standing with the union.

The employees of the outside department continued without representation until 1946. Then on March 27, 1946 the president of Local 23461 received the following letter:

"Beet Sugar Refinery Employee's Union
Local 23461
Garland, Utah

Gentlemen:

We the undersigned, employees of the Utah-Idaho Sugar Co., employed in outside maintenance work, take this method of advising you that we desire, in the absence of collective bargaining rights, to
become members of B.S.R.E.U. Local 23461 and ask your assistance in having said Local designated as our collective bargaining agent.

As a token of our good faith and intention in this matter we enclose herewith a regular application for membership form, together with initiation fee for each employee in this department.

Hoping that we may soon have the honor of saying Fraternally yours, we...... 1

The signatures of all the outside department workers followed the body of the letter.

This matter was referred to Mr. R. E. James, the organizer, and within a short time the outside department men were members of the local union and have been represented by that unit since.

The employees of the Garland plant, both full time and seasonal, have from the beginning accepted Local 23461 as their collective bargaining agent and have supported their elected officers in the formation and execution of union policy. The few instances where employees have questioned the bargaining rights of the union or have exhibited a belligerent attitude toward the union are isolated ones involving only one or two individuals.

From the time Local 23461 was organized until the present the company has recognized that unit as exclusive bargaining agent for its employees in the Garland plant, and has

1. Original Petition, Outside Department Workers for Union Affiliation, August 1946.
met with the elected representatives of the union according to the provisions of the company-union agreements to negotiate new agreements or extend those already in effect. The company has been represented at the bargaining sessions by its General Superintendent, who is an executive on the policy making level, and at times when things were in deadlock the General Manager has sat in bargaining sessions with union delegates. The company did not want the union, but since it could not prevent its organization it has attempted to live with it by accepting, cooperating with, and bargaining in good faith with it.

The problem, then, of gaining recognition from both the employer and employees was one that was solved with a minimum of difficulty and conflict.
CHAPTER III
RELATIONSHIP SINCE ORGANIZATION.

PERIOD OF ADJUSTMENT. The problem of adjustment was greatest on the local level. Since other plants of the company had been organized previous to the organization of the Garland unit, some of them a number of years before, the company had had time to adjust to the presence of the union and its effect upon company-employee relationship. However, such was not the case on the local scene. Neither the District Manager nor the Factory Superintendent had ever had experience with a labor organization. All previous experience with men under their supervision had been on an individual basis. To be suddenly confronted with a situation where they were obligated by contract to deal with the men as a group through union representatives, in whose selection they had no voice, was confusing and displeasing to them. Old habits were hard to discard.

Meetings between the District Manager and the grievance committee and between the Superintendent and the grievance committee were frequent, with feelings often running high.

The new local found itself confused and uncertain about the meaning of its power and authority in relation to local management. Then, old habits are hard to break. The union officers and most of the men were employees with a number of years service at the Garland plant. They were accustomed to accepting the actions of their immediate superiors as final.

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The privilege of challenging such action when it was contrary to contract provisions was one they felt uncertain about using. At times men who were discriminated against feared further discrimination if they reported to the grievance committee and requested correction of their mistreatment. During the campaign of 1943 one of the seasonal employees, operating a key station in the mill had, because of the labor shortage, worked several extra shifts during a week's period, and one evening after sixteen hours on the job went home exhausted and retired for some much needed rest. Soon after retiring he received a call from his foreman requesting him to immediately return to the job, as an emergency had arisen. He informed the foreman that he was completely exhausted from such long hours on the job and could not possibly return until he had had a few hours rest. The foreman did not press the matter, but informed him that they would get along without him. The matter would have been dropped, but the Chief Chemist overheard the telephone conversation and immediately called the Superintendent, informing him that the man had refused to return to the job when the foreman had called. The Superintendent called the worker and fired him, refusing to hear his explanation.

When the man did not appear for work the following day his foreman, a union member, called him to find out why. He, upon being informed of the Superintendent's action, reported it to the grievance committee. The grievance committee
met with the Superintendent and demanded that the worker be reinstated. Some very heated words were exchanged and the reinstatement was refused, whereupon the chairman of the committee said, "All right if that is your answer our next step is to take this up with the General Superintendent through the union officers," and turned to leave. The Superintendent immediately changed his attitude, called the committee back into his office, talked the matter over with them in a sensible manner, and reinstated the worker. He had been indignant when the grievance committee, old employees of his, had questioned his right to fire the man involved and had immediately employed the high-handed methods that had long been his habit to use.

When confronted with the power of the union, backed by the provisions of the union-management agreement, he did a complete about face. The reversal was humiliating to him, but as the General Superintendent would have ordered the man reinstated had the matter come before him he submitted to the legal demands of his employees. The experience was both shocking and startling, as he fully expected the men over whom he had ridden rough-shod for so long to back down on their demand that the discharged man be reinstated.

If the discharged man's foreman had not taken the matter to the grievance committee it would have ended with his release. He did not know what his rights were, and being unfamiliar with unions and union procedure did not have confidence
in it. This incident handled firmly and successfully by the grievance committee boosted the new organization in the eyes of its members and gave them confidence that their rights would not go unprotected.

During the war period overtime pay was a large factor in the company's wage expense, and the district manager was continually trying to find ways to cut it down. In attempting to do this he and the bookkeeper were continuously looking for loopholes in the union-management agreement that would permit disapproval of overtime pay without subjecting the company to recourse for the action. The contract provided for a forty hour week and an eight hour day with straight time rates for all holidays. Since many holidays fell during inter-campaign on regular working days, the bookkeeper reasoned that when this happened the men only worked thirty-two hours during the week although they were paid for forty. Therefore, she and the district manager reasoned that when a holiday fell during the week, the men could be required to work Saturday of that week at the regular straight time rate to meet the minimum requirement of the base week. When the manager attempted to put this policy into effect the union objected. After much unpleasantness the proposition of the district manager was over ridden by the general office. The general management ruled that when a holiday falls during the week it is part of the forty hour base period, and that to regard it as otherwise would, in effect, be to deny
the workers a holiday that had been granted them by the company.

Incidents such as those discussed above were causes of friction and irritation, but at no time did they become serious enough to cause a work stoppage or interfere with the operation of the plant. As time went on the local management learned to carefully study the provisions of the contract in effect before making decisions affecting labor-management relations.

**NEGOTIATING PROCEDURE.** In negotiating sessions the company has always been represented by an executive on the policy making level. As a general rule Mr. J. C. Keene, the General Superintendent, has represented the management at the bargaining table. However, at times both Mr. W. Y. Cannon, the Production Manager, and Mr. Douglas Scalley, the General Manager, have acted as negotiators for the company. Also at times Mr. Ashby D. Boyle of the company legal department has attended negotiations and assisted in drawing up agreements.

Negotiations have generally gone smoother when Mr. Keene has represented the company. He is trusted and respected by the employees, is closer to them than the other above named executives, and they know that when they have his word they can depend upon it. The company evidently realizes that, and except for the first years after the union made its entrance, the responsibility of bargaining with the union at the yearly sessions and any special sessions has rested upon his shoulders. At present he handles all union matters for the company.
The first year the plant was organized (1943) negotiations were held in Idaho Falls, Idaho, with representatives from the Garland plant and the Idaho Falls plant meeting with Mr. Douglas Scalley, the company Production Manager, for the purpose of drawing up an agreement between the company and the unions at the two mills. The Garland men were represented by Verlin Bowcutt and Vernon D. Bishop. In a meeting held July 21, 1943 the President of the Local, Mr. A. O. Whitney, and the Vice-President, Mr. Verlin Bowcutt had been elected to represent the Local in the negotiations to be held in Idaho Falls July 23, 1943. However, when it came time for the delegates to leave President Whitney was unable to go so Vernon D. Bishop was sent in his place.

Each year before negotiations are to be held the union holds a meeting for the purpose of electing delegates to represent it in the negotiation session. As a rule two delegates are elected; however, at times there has been only one and there have been as many as three. Regardless of the number of the delegates a local sends to the bargaining session it casts only one vote. In addition to the delegates from each local, a representative of the American Federation of Labor has usually acted as chief negotiator for the union. Mr. R. E. James, the organizer who organized the Garland, Utah plant, has usually been that representative.

At the yearly negotiating sessions all of the mills
of the Utah-Idaho Sugar Company are represented except the plants at Toppenish, Washington and Chinook, Montana. Separate negotiations are held with the representatives of the locals at those plants.

At the meeting in which delegates to the negotiating session are elected the members of the union stipulate what the delegates are to hold out for and fight for in the negotiations. In 1943 the delegates were given full authority to accept an agreement with the company. Thus that year no restrictions were placed upon the delegates. They had full authority to present requests for what they considered to be the best interests of their unit, and accept the best agreement that could be obtained through the bargaining procedure. In 1946 the delegates were instructed to fight for the wiping out of the wage differential between the Gunnison, Utah plant and the other Utah and Idaho plants. They were further instructed not to sign any agreement that did not place the Gunnison men on the same wage scales as the men at the other mills, and the men voted to go out on strike rather than accept an agreement that did not meet this specification. The delegates were also instructed to work for a Union Shop. The proposition of calling a strike in case the company refused to grant a Union Shop was brought to a vote and voted down by a small margin. The delegates were given their free agency according to the dictates of their best judgement concerning other details in the agree-
ment. Thus the voice of the rank-and-file in accepting or rejecting agreements lies in the instructions given to the delegates before negotiations. If demands made by the local are not granted by the company the delegates have no authority to bind the local in an agreement without first reporting back to the men they represent, presenting the facts to them, and receiving authority by a majority vote. The delegates must abide by the vote of the majority.

Although the men at the Garland plant have never resorted to a strike in order to enforce their demands they have considered it. Only once in the period the plant has been organized has there been a real threat of a work stoppage. That was in 1944 after the company had failed to come to an agreement on a new contract. The agreement that had been in effect until August 1, 1944 had provided for a fifty-six (56) hour week during the manufacturing period. The union was demanding a forty (40) hour week during campaign and the company proposed the following which it refused to deviate from:

"During campaign, work performed in excess of forty-eight (48) hours during any work week shall be paid for at the rate of time and one-half except when changing shifts. In the case of monthly men, time and one-half shall be computed on the basis of a fifty-six (56) hour week." 1

In addition the union was asking for a fifteen cent hourly in-

crease for all hourly men and a twenty-five dollar per month increase for all monthly men, which the company refused to grant.

This deadlock resulted in the matter being submitted to arbitration before the Ninth Regional War Labor Board at Denver, Colorado. After three days of discussion before the Arbitrator the company and the union got together and settled the matter themselves. The company agreed to the forty (40) hour campaign week and the union dropped its demands for the wage increase. The part of the contract pertaining to the issue was changed to read as follows:

"During campaign, work performed in excess of forty (40) hours during any work week shall be paid for at the rate of time and one-half, except when changing shifts. In the case of monthly men, time and one-half shall be computed on the basis of a forty (40) hour week and the inter-campaign rate."1

Although the Fair Labor Standards Act, which the company was obliged to abide by in order to participate in Government contracts, excused it from the forty (40) hour week provision during its seasonal manufacturing period the company, when it could see that the Arbitrator would go along with the union on the increased wage demands, voluntarily granted the forty (40) hour campaign week. It feared that if the wage increase was granted, within a short time the forty (40) hour campaign week would also be forced upon it. Thus the company made what it considered a favorable compromise with the union.

1. Ibid., p. 3.
on the issues at stake by settling out of court, as it were.

The union, though not winning on all points, by being firm and using the machinery provided by the War Labor Board, was successful in achieving an important gain in take home wages for its members. The forty hour campaign work week gave each campaign worker two days of overtime work a week, which in effect meant an extra days pay for every man each week.

This matter was settled in March 1945 and was retroactive to August 1, 1944. During the period of the dispute the plant continued to operate on the basis of the 1943 contract.

In general collective bargaining between the Utah-Idaho Sugar Company and the union representing its employees has been successful. With few exceptions, such as the one cited above, collective bargaining has been reasonably peaceful. The parties have bargained in good faith, have abided by the contracts in effect as they have understood them, and have had a high degree of confidence in each other in regard to the obligations imposed by the agreement.

SCOPE OF UNION-MANAGEMENT CONTRACTS

EMPLOYEES: Article I of the 1943 agreement defined "Employee" as follows:

"Employees at the plant covered by this agreement include all employees except: managers, assistant managers, factory superintendents, assistant superintendents, agricultural superintendents, clerical workers (not including store keepers), laboratory clerk, persons receiving, tarring, loading or unloading beets at all stations including factory receiving stations, chief chemists, fieldmen, also all employees engaged in
either agricultural work or outside maintenance work." 1

The 1944 and 1945 agreements made no change in the employees covered by union-management contracts, but in 1946 outside mechanics and helpers were included under the agreement. Concerning employees the 1946 contract included the following that had not appeared in previous agreements:

"Outside mechanics and helpers means (a) employees engaged at or in connection with said plants in the maintenance or repair of agricultural machinery or equipment, or in the maintenance or repair of best receiving facilities or equipment, and (b) operators of mechanical shovels or loaders.

When engaged in any of the activities described under (a) and (b) above, mechanics and helpers shall report for work at the factory premises as is customary. If an employee is then directed to work at a point or points away from the factory premises travel time shall be allowed both to and from such point or points and the company shall furnish transportation free. If company transportation is not available for that purpose and the company requests the employee to use his own car, mileage shall be allowed the employee at the current mileage rate established by the company for the actual distance traveled from factory premises to destination assigned, and return. If the point to which an employee is directed to proceed for work is so distant from the plants mentioned as to render it inadvisable, in the judgement of the company, for the employee to report for work at the factory site, while the job is under way the company shall provide free transportation, lodging and meals at its customary rates.

All work performed by employees...shall be covered by this agreement. It is understood, however, that situations may arise wherein it is necessary to employ temporarily, especially skilled labor such as, but not exclusively, brick layers for re-

1. Ibid., pp. 1-2.
lining kilns, which work is recognized as out of the ordinary sugar worker's routine, and which work is, and the employees performing it are, exempt from this agreement, and further that wherever possible and if practical such skilled labor shall be members of the American Federation of Labor. 1

No changes were made in regard to the employees covered by union-management agreements in the 1947, 1948, and 1949 collective bargaining sessions.

OVERTIME. Extra pay for work in excess of the regular prescribed working day or working week has long been a practice in certain segments of American industry. The Utah-Idaho Sugar Company did not begin this practice until forced to do so by the Fair Labor Standards Act as a necessity in gaining government contracts. When the union made its entry and the first contract was negotiated the newly acquired overtime policy was written into that agreement as follows:

"During inter-campaign work performed by any employee in excess of (40) forty hours in any one week (Monday through Saturday inclusive), shall be overtime... ...During campaign work performed by any employee in excess of fifty-six (56) hours in any one week shall be overtime, except when changing shifts... ...Work in excess of eight (8) hours performed on any shift by any employee, watchmen excepted, shall be overtime, except when changing shifts. ...Overtime work performed by any employee, pursuant to specific orders of the company, shall be paid for at one and one-half times the straight time for such work." 2

The 1944 contract provided for a forty-eight (48) hour work week for hourly workers and for a fifty-six (56) hour

1. Ibid., 1946, pp. 2-3.
2. Ibid., p. 5.
week for monthly men in computing overtime pay during campaign. That part of the agreement was not accepted by the union and after submitting the case to arbitration an amendment was made which provided a forty (40) hour week for both classes of workers during the campaign, making the work week uniform for both inter-campaign and campaign.

HOLIDAYS. In the initial negotiation holidays were made a matter of written agreement as follows:

"During inter-campaign the following days shall be considered holidays, for the purposes of this agreement: Sundays, New Year's Day, Washington's Birthday, Decoration Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. When any of the above occur on Sunday the next following Monday shall be recognized as the holiday. There shall be no holidays during the campaign. Except in the case of watchmen, all inter-campaign work performed on holidays as here-in above defined shall be paid for at time and one-half.

When any of the following holidays to-wit: New Year's Day, Washington's Birthday, Decoration Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, occur during inter-campaign hourly employees with vacation rating shall be paid straight time with respect thereto in the event, but only in the event, time and one-half shall not already have been paid under the provisions last above."

The 1943 agreement quoted above stipulated that there would be no holidays during the campaign. The 1944 contract dropped that stipulation and, then, again in 1949 holidays were recognized only during inter-campaign; however, the 1949 contract provided for double time when work was performed, by com-

1. Ibid., p. 6.
pany direction, on holidays which men would not have normally worked. For the first time in the history of the plant the 1949 agreement also provided time and one-half for watchmen who worked on holidays.

**Call Back Time.** In order to protect men from being needlessly called back to the job at inconvenience and expense to themselves the following provision was included in the 1943 agreement:

"If in response to a call from the company or its agents, employees proceed to a designated place for work, but are not actually put to work, they shall receive two (2) hour's time for each such occasion. On the other hand, if an employee thus called is actually put to work, he shall be compensated at the schedule rate for the actual time worked or two (2) hours' time, whichever shall be greater. The foregoing provisions of this section shall not apply to employees who report for work at the beginning of campaign when factory operation is postponed owing to an insufficient supply of beets....

Any employee called from home for special or emergency duty between shifts shall be compensated for a minimum of two (2) hour's time. This compensation is to be at the time and one-half rate." 1

**Temporary Transfers.** Article III of the 1943 agreement provides that any employee subject to the contract may be temporarily transferred to another classification, or may be used for relief of employees under other classifications. An employee so transferred or so used for relief of employees under other classifications, if transferred to or used in a lower paid classification, shall receive the higher rate. If

1. Ibid., p. 4.
transferred to or used in a higher classification the employee shall, after eight continuous hours of such assignment, receive the rate applicable to the higher classification during the transfer or the period used in the higher paid classification. It also provided that in cases where an employee's services are no longer required in his class, the employer with the employee's consent, instead of laying off such employee may transfer him to another position and fix his rate of pay accordingly.

The 1946 agreement made one exception that has remained in effect since then, and that was that outside mechanics used as shovel operators should receive the higher rate of pay only while so used.

RECOGNITION. Under article IV, section I of the 1943 contract the company recognizes Local 23461 as the sole collective bargaining agent under the National Labor Relations Act of 1937 for all employees of the Garland plant as defined by Article I of that document. Article IV, section I provides as follows:

"The company agrees, with the adoption of this agreement, that all employees covered by the provisions hereof who have joined, or may hereafter join, the union shall retain their membership therein in recognized good standing according to the laws of the union for the duration of this agreement. Employees who have not joined or do not hereafter elect to join, the union shall not be required to do so as a condition of employment."

1. Ibid., p. 5.
Union security clauses are usually of three types: (1) closed shop provisions, (2) union shop provisions, and (3) maintenance of membership provisions. The first provides that a man must be a union member before he can be employed. The second provides that non-union men may be hired, but that they must become members of the union within a short time if they are to continue in employment. The third merely provides that union members and those who may later join the union must remain in good standing with the union as a condition of employment. The above provision is a weak maintenance of membership clause. It provides that those who are members of the union and those who may become members shall maintain good standing with the union according to the laws of the union, but it does not make such continued standing a condition of remaining in the employ of the company.

The union security clause remained without teeth until 1948, when this part of the agreement was amended adding a provision requiring the payment of dues by regular members and the payment of initiation fees by men applying for union membership as a condition of continued employment. The National Labor Relations Act of 1947 provides that where a union shop is provided for in a labor agreement, or where a maintenance of membership clause is in effect (this act outlaws the closed shop and leaves the other two to the discretion of the various states) the union can enforce the provisions of the security

clause, only where men are in poor standing with the union for failure to pay dues or initiation fees. Thus to have added any more to the 1946 amendment would have been meaningless.

The 1948 agreement also added a dues check-off clause, which provided that for employees who individually and voluntarily certified in writing that they authorized such deductions the company would deduct from the first pay check each month the union dues in an amount not to exceed $2.00 per month. It also provided that where employees applying for union membership authorized it initiation fees not to exceed $10.00 per man would be deducted by the company from the pay of the employee. This clause required the company to remit to the duly designated officer of the union (the financial secretary) all funds deducted, and that upon request the union could have access to the list of employees on the company pay roll or accurate copies thereof, not more frequently than once a month.

SENIORITY. Plant wide seniority was provided for under section I of article IV of the 1943 agreement as follows:

"The company and the union agree to cooperate in this plant to create a seniority list as soon as possible and said seniority list shall be posted for a period of thirty (30) days for correction and if no objections are made, it shall then be accepted as an authentic list and the Local shall be furnished a copy of the list. "Seniority" when used herein means length of full time service with the company; "Competency" means one's capacity and fitness to serve by reason of natural aptitude, acquired skill and experience; as regards promotion seniority shall not apply in the case of jobs rating higher than utility men and sugar boilers."
The company agrees that in re-employing employees, in making promotions and in laying off employees it will pay due regard to seniority and competency of employees. It is understood that the employer shall be the sole judge of competency. However, competency being equal, it is agreed that priority shall be accorded to that employee whose seniority is greater.¹

The 1943, 1944, and 1945 agreements treated the subjects of recognition and seniority in the same article; however, the 1946 contract changed the seniority provisions and treated them in a separate article, article V. The previous agreements concerning seniority had provided for a single seniority list which included only full time employees leaving the seasonal campaign workers without seniority rights. The 1946 contract provided for two seniority lists in each plant covered by the agreement, one for employees with vacation rating (full-time employees) and one for employees without vacation ratings (seasonal employees).

Regarding promotion, agreements prior to 1946 had left men above the ratings of utility men and sugar boilers without the benefit of seniority rights. In correcting this the 1946 contract provided that in re-employing, promoting and laying off employees in the classifications of utility men and sugar boilers and all classifications lower the company must pay due regard to plant seniority and competency of employees.

but that in promoting employees in classifications higher than utility men and sugar boilers due regard would be paid to company seniority and competency of the employees concerned. However, the judging of competency was continued as the sole right of the company.

Another change in the 1946 contract provided that the employer might grant an employee with vacation rating a written leave of absence, during which continuous service would not be deemed broken. Where such leave of absence is granted the union must have written notice thereof; the leave of absence being limited to two (2) months with extension being granted where special conditions warrant, if approved by the employees' committee.

**DISCHARGE OF EMPLOYEES.** The initial agreement provided that good cause for discharge of employees should be in the company's discretion; that the company should furnish each discharged worker a written statement of the reason for discharge at the time his employment was terminated; that any employee feeling that he had been unjustly discharged must avail himself of the provisions of the agreement with reference to the employees' committee and the arbitration clause within five days after discharge or his claim would be null and void; and that any employee, who after investigation by the company and the employees' committee, is found by both to have been unjustly discharged shall be restored to former status both as regards
employement and seniority.

RIGHT OF UNION OFFICERS OR REPRESENTATIVES TO VISIT COMPANY OFFICE. Duly authorized officers or representatives of the union have the right, under the provisions of the 1943 agreement and those following it, to visit the company’s local office during working hours for the purpose of discussing with the company representatives any matters that might require the attention of the union officials. The company agrees that where such visits are made it will give the union officers proper and reasonably prompt attention.

WOMEN EMPLOYEES. The place of women employees in the plants covered by the 1943 agreement was defined as follows:

"It is agreed that the company shall have the right to employ women for factory work during the present emergency. Women so employed shall be paid the rates shown in the attached schedule. However, as a prerequisite for employment, the company may require that the prospective employee qualify by means of a training period at the plant not to exceed seven (?) days, without expense to the company.

Women employees who may be thus employed shall be classed as temporary employees and, except as among themselves, shall have no seniority standing. Their services shall be dispensed with as soon after the present emergency as, in the judgement of the company, an adequate supply of efficient male help is available.

In employing women preference shall be given to those falling within one or more of the following classes, if deemed by the company able and competent to do the work in question: (a) women with previous experience as factory employees of the company (b) wives or widows of men who are or were in the armed forces of our country (c) women who are self-supporting."1

1. Ibid., p. 7.
In 1948 the provision permitting the company to require prospective women employees to qualify by means of a training period not to exceed seven (7) days without expense to the company was dropped from the agreement. With the exception of that one change the original agreement concerning women employees has been a part of each agreement including the present one. However, since the campaign of 1946 very few women have been employed in the factory as there has been an adequate supply of men available.

**VACATIONS.** In 1943 the company and the union agreed on vacation policy as follows:

"All employees, whether on hourly or monthly basis, who have been continuously employed through twenty-four (24) months, shall be entitled to two (2) weeks of eighty (80) working hours vacation with full pay.

A vacation of (1) week of forty (40) working hours with full pay shall be allowed to each employee who has been employed by the employer continuously through the preceding twelve (12) months. This provision shall be extended to include an employee who has been off the pay roll not more than forty (40) working days during the said twelve months qualifying period.

Except as hereinafter qualified, vacations shall be taken during the vacation period when due.

The vacation period during any given year shall be that portion of the inter-campaign of such year prior to August 15th. Vacations may be taken by those entitled thereto at any time during the vacation period when due, provided that ample notice of the time when vacation is desired is given to the employer, and provided, further that in the judgment of the employer, no material interference with the employer's operations will result. No vacations shall
be taken (a) after August 15th, or (b) during the campaign season.

Any employee entitled to a vacation who, at the company's request, foregoes it during the vacation period when due, shall be allowed such vacation during the next ensuing vacation period, but in such cases the employee shall request of his superintendent at the time he is required to forego his vacation and the latter shall thereupon issue to the employee (with copies to the district manager, the auditor, and the general superintendent) a letter stating that such requirement has been made of the employee. Otherwise, vacations shall not be accumulative. 1

In 1946 the provision extending the one week vacation to those who had been off the pay roll not more than thirty working days during the required twelve month period was changed to allow a maximum of forty days off the payroll during the twelve month period without sacrificing the week's vacation.

In 1949 the agreement concerning vacations was amended to provide employees with at least fifteen (15), but less than twenty (20), years continuous employment with the company three (3) days (twenty-four working hours) with full pay in addition to the two (2) weeks vacation allowed in other years; all employees covered who had been employed by the company continuously for at least twenty (20), but not more than twenty-five (25), years four (4) days (thirty-two working hours) additional vacation; and employees with at least twenty-five (25), but not more than thirty (30), years continuous service five (5) days

1. Ibid., pp. 7-9.
2. There has been no practice at the Garland plant of giving extra pay in lieu of vacations.
(forty working hours) additional vacation time.

**MILITARY OR EMERGENCY DEFENSE SERVICE.** The following stipulation regarding former employees of the company who left the service of the company to enter government service was made a matter of contract in the 1943 agreement:

"All employees of the company who leave its employ and enter directly into military service of the United States in time of war or declared emergency, either voluntarily or as a result of the draft, shall retain their seniority and such seniority shall include the period of military service with our country. Upon return to civilian status after honorable discharge from such military service, any employee who is physically qualified to re-enter the company's employ shall be re-employed by it, seniority justifying, providing (1) that the employer is then carrying on the operations in which the employee was formerly engaged and (2) that the employee makes written application to the company for reemployment within (40) days next following the date of discharge from service. The rights and privileges extended above to the employees entering military service shall be accorded upon the same conditions to all employees who leave the company and enter directly into United States Government service other than military without loss of civilian status, except that in the latter case entry into Government service must have been compulsory, both in law and fact, and not voluntary." 1

In 1946 the forty (40) day grace period was extended to ninety (90) days, and except for that change the above provision has appeared in every contract including the present one since 1943.

**SAFETY COMMITTEE.** The initial contract negotiated in July of 1943 gave the union the right to select two (2) members of the safety committee, which right has been continued

1. Ibid., p. 9.
in every contract, including the present one, since then.

INTER-FACTORY TRANSFERS. The agreement of 1943 and all agreements since then have provided that the company may transfer an employee from one plant to another in case of a vacancy, and that any employee so transferred shall carry with him such seniority rating as he may have obtained in the plant from which he is transferred to the plant to which he is transferred.

Such transfers usually involve men of rating higher than utility men or sugar boilers and are, of course, yearly men. These employees have company seniority and transfers have, in some cases, meant promotion, in others no change in status, and only very rarely a downward change in status. Where the latter has occurred it has usually been because of inefficiency or other deficiency warranting the reduction.

STRIKES AND LOCKOUTS. The original agreement provided that during the term of the agreement there would be no cessation of work on the part of the employees, nor any action taken or permitted by them impairing the company's operation or the distribution of its products, and there would be no lockout by the company. This provision has remained a part of every agreement negotiated between the company and the union.

BULLETIN BOARDS. Every contract that has been in force since the entry of the union has required the company to provide suitable space for the posting of notices and bulletins
pertaining to matters which are of proper concern to the employees. All such notices and bulletins are required to bear the signatures of the president and the secretary of the local union.

LEGISLATION. To prevent the necessity of negotiating complete new contracts in case of legislation, either state or federal, becoming effective which conflicts with any portion of an agreement currently in force, a provision has been included in each contract stipulating that in the event national or state laws are passed which conflict with the union-management agreement the parts of the agreement in conflict with the new law may be reopened for negotiations without affecting the portions of the contract not affected by the legislation.

GRIEVANCE PROCEDURE. Article XIV of the 1943 contract reads as follows:

"Employees shall designate at least three (3) of their number as stewards. Such stewards shall not assume any of the duties or powers of foremen. They shall have power to aid in adjusting grievances between the employees and the company. All grievances involving employees shall be adjusted whenever possible between the superintendent or the master mechanic and the stewards. In case stewards are unsuccessful in their efforts to adjust grievances with the above named officials, the grievances shall then be submitted to the employees' committee for consideration. Employees to be eligible to serve as stewards or as members of the employees' committee must be American citizens and must have been in the employ of the company for at least one year."

1. This qualification was made a part of the agreement on the insistence of management because of their desire to have men who understood the company and its operation in these positions.
The employees agree to meet and elect from their group a workman's committee of three (3) employees, whose names shall be posted on a bulletin board. Such committee shall be known as the employees' committee.

Employees shall not be penalized or discriminated against in any manner by their foreman or any other official of the company for serving in the capacity of steward, or for acting on the employees committee, or for performing on their own time any union duty.

Whenever any employee claims a grievance against the company he shall give written notice to his steward within five (5) days from date of grievance. Within five (5) days after filing such notice with his steward, such steward shall notify the employees' committee in writing that he has or has not succeeded in adjusting the grievance with the company. If the steward has failed to adjust such grievance with the company the Employees' Committee shall pass upon such grievance within ten (10) days after receipt from the steward of notice of non-adjustment of the grievance, and in event the committee decided against the complainant, its decision shall be final and binding upon said complainant. If the Employees' Committee determines that the grievance is entitled to further consideration, it shall within five (5) days take the matter up with the company officials, who have power to adjust such grievance, to try to effect a satisfactory settlement thereof.

In the event that an occasion arises where an adjustment of a grievance cannot be settled between the Employees' Committee and the company within thirty (30) days from the time it was first submitted to the steward, the matter shall be left to arbitration. Pending arbitration all work shall continue as provided by ARTICLE XI above. For the purpose of arbitration the company shall select one man to act as arbitrator, and the union shall select one man to act as arbitrator. If these two fail to agree on the grievance, they shall select a third man to act as arbitrator. The expense of the third man is to be shared equally between the company and the union. The decision of the majority of these arbitrators thus selected shall be binding on all parties. The
arbitrators shall meet within five (5) days after their selection, and render a decision within (5) five days' time thereafter. The arbitrators shall be selected within ten (10) days after the request for arbitration was made by either party, and either party failing to name an arbitrator within said time, the claim by the respective party shall be deemed to be waived and forfeited to the other. 1

In 1946 another step was added to the procedure described above before an unsettled grievance would be submitted to arbitration. This step brought the inter-factory committee into the picture by providing that in case the local Employees' Committee was unable to adjust the grievance with the company the union, if it so desired, could take up the matter with the President and Secretary of the Inter-factory Committee for their handling. In the event that the President and Secretary of the Inter-factory Committee were not able to adjust the grievance, or other controversial matter, with the company they were to call in the established Inter-Factory Committee to attempt adjustment before the matter was submitted to the arbitration procedure outlined above.

**TERMINATION OF AGREEMENT.** The terms under which agreements could be changed or abrogated and the period of time agreements would remain in effect was written into the 1943 contract as follows:

1. Ibid., pp. 12-14.
2. A committee organized among the locals of the organized plants of the Sugar Company for the purpose of representing the employees on matters of company-wide employee interest. All matters not of strictly a local nature in Union-Management relations are handled by this body.
This agreement shall take effect as of August 1, 1943, and shall supersede all then existing agreements between the union and the company. 1

The agreement may be amended as of August 1, 1944, or on like date in any year thereafter provided that not less than thirty (30) days next prior to effective date of modification either party serves upon the other written notice of intention to propose changes. Such notice shall state in substance the addition, if any, and designate by number the articles as well as the section, if any, to be considered and only the subject matter so presented and the articles (or sections) so designated shall be considered.

The agreement may be abrogated in its entirety by either party as of July 31, 1944, or on like date in any year thereafter provided that not less than ninety (90) days next prior to effective date of abrogation the party electing to abrogate serves upon the other written notice of such election. No reason for abrogating need be assigned.

Unless thus abrogated, the agreement, as amended from time to time pursuant hereto, shall remain in effect until a new agreement between the parties is executed in its stead. 2

With the passage of the Labor Relations Act of 1947 (Taft-Hartley Act) the thirty (30) day written notice required before either party could negotiate changes in the agreement was extended to comply with the provisions of that act.

SICK LEAVE. The 1948 agreement included for the first time an article providing for sick leave which reads as follows:

"In the event of sickness or injury on the part of any employee of the company with vacation

1. The Idaho Falls mill had been organized in 1941 and this agreement applied to that mill as well as the Garland plant.
3. This act changed the thirty day period to sixty days.
rating, eight (8) days sick leave shall be allowed during the second and each subsequent year of employment by the company. Such sick leave shall be accumulative, that is to say, sick leave to which the employee is entitled during any year of his employment shall be added to the sick leave of the next succeeding year of employment until available sick leave totals thirty (30) working days, but in no event shall the aggregate exceed thirty (30) working days. The sick leave of permanent employees during any given year of employment shall become available as of the first day of such contract year.

Employees without vacation rating who shall have worked for the company at least thirty (30) days during any campaign and who are employed by it in the next following campaign shall be credited with one-half day's sick leave at the end of the first and each subsequent month of continuous employment during his second campaign and each consecutive campaign thereafter. Sick leave credited during the second consecutive campaign worked shall be available only after the first two days of any absence which shall have been occasioned by illness or injury, but during the third and each consecutive campaign worked thereafter sick leave duly credited shall be immediately available. As soon as any campaign employee eligible for sick leave under this section attains vacation rating he shall be entitled to sick leave in accordance with the provisions of the above and thereupon the right of the employee to sick leave under this section shall cease.

Except as hereinafter qualified remuneration (herein referred to as sick benefit allowance) at the employee's regular straight time rate shall be paid the employee to the extent sick leave to which the employee is entitled is used bona fide. In industrial injury cases, workmen's compensation and sick benefit allowance shall be paid separately, but in the event workmen's compensation payments cover all or part of the period during which sick benefit allowance is paid, the sum of the two shall not exceed the sick benefit allowance of said period. In the event that an employee's absence due to an industrial injury extends beyond the sick benefit period, he shall receive for the excess period, Workmen's Compensation only. All unused sick leave shall automatically terminate when the employee's employ-
ment with the company ceases. Sick leave pay shall not be allowed in respect of those days which the employee would not actually have worked had the sickness not occurred or the injury not been sustained. An employee shall not be eligible for sick leave if the sickness or injury is due to intoxication, use of drugs, or venereal disease, or is self-inflicted, or results from an altercation (fight) in which the employee was or became the aggressor. The employee shall cooperate by giving notice of illness or disability as early as is reasonably possible. The company reserves the right at all times to determine whether or not time lost by an employee is the result of a bona fide sickness or injury and the employee shall furnish a Doctor's certificate upon request of the company. 1

The provision stipulating that sick leave for employees without vacation rating only became available during the first eligible campaign, after the first two days of any absence occasioned by illness or injury, was objected to by the union, but was carried in both the 1948 and 1949 agreements. The union contended that the stipulation would cause abuse of the sick leave benefit as workers with illness or injury that required only one or two days absence would remain off the job at least three days in order to collect the sick benefit. Events have proved the union correct. The privilege has been abused in that way and the saving the company expected to realize through non-payment for one and two day absences has turned into additional expense. It is likely that the above restriction will be dropped from the next contract.

In general each contract has concluded with an article as follows:

"This agreement shall constitute a separate agreement between the company and each of the above unions, which shall execute the same without regard to any third party.

The parties hereto believing all the foregoing provisions to be lawful and right and to be mutually beneficial to them in fixing and controlling their relations as Employer and Employee, nevertheless hereby agree that if any part of this agreement shall be finally determined by any court of competent jurisdiction to be unlawful, such part shall be eliminated thereby from this contract, and this contract in all other respects shall be and remain binding upon the parties thereto." 1

During the years the Wage Stabilization Board was operating to the above was added: "To the extent that the provisions of this agreement require approval of the Wage Stabilization Board, these provisions will become effective and binding upon the parties when approval is given by the Wage Stabilization Board." 2

Following this final article the signature of the voting delegate of each local involved, the signature of the company negotiator, and the signature of the American Federation of Labor Representative were fixed to the contracts. Since the organization of the International Council of Sugar Workers and Allied Industries Unions the signature of the president of the international organization has also been fixed on the

WORK CLASSES AND WAGE RATES. Concerning work classes and wage rates the agreement of 1943 provided as follows:

"There shall be attached to this agreement and made part of this agreement, marked Exhibit (1) a schedule showing classification of work and wage rates in effect with respect thereto at the above mentioned factory for the term hereof. Employees shall be paid not less than the minimum wage disclosed by said schedule for the work performed by them respectively.

Nothing contained in this agreement shall require any reduction in wages or abrogation of more favorable conditions where employees, whether on an hourly or monthly basis, receive higher rate of pay or more favorable working conditions than the provisions of this agreement provide on its adoption.

The wages specified in Exhibit (1) attached are minimum wages and shall not be construed as restricting the company from giving, or any employee from receiving, compensation in excess thereof, and so long as such minimum schedules are maintained no increase in wages to any class, or to any individual or a class, shall necessitate a change in the wages of other individuals or classes.

In no event shall a campaign employee be paid a monthly wage that would allow him a lower net income than is provided in the minimum hourly rate specified for his classification, as set forth had he been paid at said hourly rate.

The company agrees not to reduce during the life of this agreement the wages provided for therein.

Anything in this agreement to the contrary notwithstanding, whenever an employee is promoted to a monthly job, he may be paid a monthly rate lower than the standard rate (1) established for such monthly job until such time as in the company's

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1. The 1946 agreement prescribed that the rate during the qualifying could not be more than ten dollars ($10.00) below the standard rate for the job to which the employee was promoted.
judgement he is qualified for the established monthly rate for such job; but the qualifying period 1 shall not apply beyond the beginning of the third campaign of employment to which the employee has been promoted." 2

Although, as a general rule, uniform contracts have been negotiated for all of the plants of the company, with the exception of the ones at Toppenish, Washington and Chinook, Montana, there has usually been some wage differences between plants. Agreements have had two wage schedules, one for the plants in Utah and Idaho and one for the plant in Belle Fourche, South Dakota. These two wage schedules provided for the same wage rate on some jobs, on some the wage rate at Belle Fourche was higher than at the Utah and Idaho plants, and on others the wage rate was lower at the South Dakota plant than at the intermountain plants. It is doubtful as to whether or not either area held an overall wage advantage over the other in any given year. What one gained under one classification it lost under another. The differences arose largely because of difference in importance placed upon different jobs by the local management concerned, due to technological differences between the mills in the Utah-Idaho area and the mill in South Dakota (The Belle Fourche plant is a newer plant than the ones in Utah and Idaho and technological differences make some jobs less

1. This was changed by the 1946 agreement to read, "The second campaign of employment to which the employee had been promoted."

CONTRACT FLEXIBILITY. The contracts negotiated between the Company and the Union have not contained a re-opening clause. Once negotiated, agreed upon, and signed by both parties the contract becomes binding upon both parties and no changes contrary to its provisions can be made until the following year when negotiations are again opened.

In the writing up of agreements care is exercised in insuring that both parties will have the same understanding of provisions agreed upon. If both the company and the union do not understand a written statement to have the same meaning it is worded until they do. Also if during the period the preceding agreement was in effect a difference of opinion has arisen over the interpretation of a point, an agreement is reached on the interpretation and the contract is worded to make that interpretation clear to both parties.

Union-management agreements have been free of complicated legal phrases and have been worded simply. This has resulted in agreements that can be read and understood reasonably well by the average union member. The policy followed in the negotiating and the wording of the agreements has been conducive to the avoidance of controversy over contract provisions.

Differences of opinion, of course, over contract matters have arisen, sometimes involving heated disputes before final resolution. Such a dispute arose in October 1947 when
the company sought to use a swing shift during campaign that would have cut the days per week worked by most campaign workers from seven to six days. By doing this the company would have saved one-half days pay for each man affected per week through reducing the overtime worked each week from sixteen hours to eight hours. This swing shift would have involved the use of men who would have relieved men on the regular shifts through a rotating process that would have given each man one day off the job each week. That day off would not have fallen on the same day each week. One week it might have fallen on Monday and the next on Friday or Saturday, and the man would not know when he was to be relieved by the swing shift worker until the shift just prior to the one he was to remain off the job. Thus a man would not have been able to plan ahead for the day off.

The company contended that it was within its rights under the contract to put the proposed policy into effect without the consent of the union. The union contended that the proposed policy was in violation of the contract and could not be introduced without its consent. In spite of the position of the union the company went ahead with its plans for the change actually placing the plan in operation at the Gunnison, Utah plant and issuing instructions for the policy to go into effect at the Garland plant on November 3, 1947.

The Gunnison, Utah local and the Idaho locals did
not offer strong resistance to the swing shift plan. However, the Garland unit challenged the right of the company to arbitrarily impose the policy on its members and immediately referred the matter to the grievance machinery. When the company refused to yield feeling ran high and there was talk of a twenty-four hour work stoppage in protest of the company position. The local union officials were successful in preventing the work stoppage and instructed the men to report for work on the day they were told to remain home. The following, which was posted on the union bulletin board, expresses the attitude of local 23461 on the swing shift plan:

"The wording of the Company-Union Agreement defines the campaign work week thus, (quote) "During campaign, work week shall mean the seven (7) consecutive days commencing at 8:01 A. M. Monday and ending at 8:00 A.M. the next subsequent Monday."

Wage rates now in effect were established by collective bargaining predicated on a seven day work week during campaign in order to bring our take-home pay in line with that of the Amalgamated Sugar Company workers.

The company has now served notice on the union of their intention to introduce a six-day campaign work week which will reduce the take home pay for first class station men about $56.00 per month; and will reduce the take home pay of other classifications as much as $75.00 below that of the Amalgamated worker. They are also reserving the privilege of retaining certain workers on a seven day work week to suit their own convenience, which is discriminatory to say the least.

This move we believe, is arbitrary and in violation of our contract and, is not predicated to improve or build up management relations....We shall take whatever steps are necessary, to establish as quickly as possible, the legality of the company's
interpretation of our contract. If we are successful in proving the company wrong, every worker affected will receive back pay at the rate of time and one-half for the seventh day on which he was laid off.

We also believe that this arbitrary action by the company frees us from any commitment to any defined work week, and therefore, as individuals or as an organization we are not committed to any service beyond a 40 hour work week.

We advise that there be no violence or disturbance on the job. We also suggest that when you are on the job, do the job to the best of your ability. We realize that it is difficult for one to give his best effort and knowledge under the onerous conditions which exist at this time. However, when you are on the job your time belongs to the company and you are taking company money for that time: Be fair, be square, be honest.

This notice was signed by the president and secretary of the local.

Mr. R. E. James, American Federation of Labor Counselor, was notified of the dispute, and after ascertaining the nature of it he advised the General Management of the Utah-Idaho Sugar Company to refrain from further action concerning the swing shift plan until the legality of the matter was determined. After that action had been taken by Mr. James the officials of Local 23461 corresponded with the district manager of the Garland district as follows:

"Because of developments since the meeting between the local management and the executive committee of local union 23461, on Wednesday afternoon, the executive committee of the union, this afternoon, reached the following decision:

We are asking the management to comply with the advise sent to Mr. J. C. Keane, by telegram, by
Mr. R. E. James.

We are opposed to the principle of bribing workers to take the swing shift, by offering them a higher rate of pay than you will be paying other men doing exactly the same kind of work, and, in addition are required to give of their hard earned knowledge to the swing shift man. We do not believe that our regular employees are or can be required to take a swing shift job, just for your convenience. We believe that this entire situation has been handled in an insolent, arrogant, and arbitrary way. We believe it is unfair to your employees, to your stock holders, to the industry and to the community in which we live. We believe these things to be true and we shall exhaust all means to prevent this desecration of justice.

For your information we wish to advise that the union was successful, today, in preventing a 24 hour work stoppage. However, if the advice of Mr. James is not complied with we assume absolutely no responsibility for what may or may not take place in this factory. We also wish to advise that we are suggesting to our fellow workers that they stay on the job 7 days a week, and to allow no interference with their successful operation of their station. We shall also call to the attention of all employees affected by the 6 day work week, that we are all working under the national 40 hour work week, and, that any time worked beyond 40 hours in any work week is either voluntary on the part of the employee or based upon an agreement, understanding or contract between him and his employer. Therefore it is our firm conviction that your employees, as individuals or an organization, since the 7 day work week as defined in our contract has no meaning, are completely within their rights to take Saturday and/or Sunday off...Any other interpretation of Article XII would reduce your employees to the status of slaves." 1

The letter was signed by each member of the local union executive committee.

A stipulation was drawn up by the company which in-

cluded the following provision:

"The employer agrees that during further grievance proceedings and during arbitration, if any, of the issues now in dispute, to-wit: Has the Employer the right under the existing labor agreement between the parties to employ at its Garland, Utah plant on and after November 3, 1947 a swing shift as a result of which employment during the factory operating campaign may be limited to 48 hours per week? Until such question and dispute is solved and agreed by regular grievance proceedings or arbitration, the Employer will refrain from employing a swing shift at said Garland plant, provided, (a) that proceedings for the adjustment, or if necessary, the arbitration of the aforesaid disputed issue be prosecuted with all dispatch; and (b) that the Employer's action in thus refraining shall not be offered by the Union, or considered by the arbitrators, as evidence in any proceedings or arbitration with respect to said issue.

The Local Union agrees to be bound by the conditions set forth in the last preceding paragraph." 1

The union refused to sign the stipulation and continued to fight the issue.

The General Superintendent came up to Garland on the afternoon of November 4, 1947 and met with the local union officials. The dispute was discussed at some length with the union refusing to change its position in any degree. The General Superintendent left with the matter apparently in deadlock, and the union was prepared to take whatever measures proved necessary to keep the men on the job seven days a week. However, at one O'clock the morning of November 5, 1947 the president of Local 23461 received a telephone call from the general

office notifying him that plans for the six day week had been dropped by the company for that campaign, and that the seven day work week had been restored at the Gunnison, Utah plant. Since that time no further attempts have been made by the company to instigate a six day campaign work week. If it had not been for the alertness and determination of the leaders of the Garland local the company would have put the six day campaign work week into effect with virtually no opposition.

**GENERAL WAGE TREND SINCE ORGANIZATION.** When the employees of the Garland plant became affiliated with the union wage rates for hourly workers ranged from 69¢ an hour for common labor to 85¢ an hour for sugar boilers. In 1949 hourly wages had increased to $1.065 for common labor and to $1.39 for sugar boilers. Table III shows the hourly wage rates paid on each job classification from 1943 to 1949 inclusive, with five wage classes A, B, C, D, and a special class.

During the war years of 1943, 1944, and 1945 wage rates stayed fixed except for a few jobs that were changed to a higher class on the approval of the wage stabilization board. The first increases came in 1946 after the war controls had been relaxed with an across the board increase of .085 cents an hour for all workers in classes A, B, C, and D. The next general increase came in 1948 and there has been no change since then.

The union has put constant pressure on management
**TABLE III**

**HOURLY WAGE PROVIDED BY UNION–MANAGEMENT CONTRACTS FOR THE PERIOD 1943 THROUGH 1949**

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for increased wages but just how effective union action has been in bringing about wage increases is impossible to determine. Wages in general have risen since 1945 and the particular case of the Utah-Idaho Sugar Company may not have been any different or materially different in the absence of a labor organization. Living costs have gone up and the wages of the chief competitor of the Utah-Idaho Sugar Company in the intermountain territory, the Amalgamated Sugar Company, have also gone up. A spokesman for the General Management of the company states that he doubts if the union has affected the wage level very much although it is impossible to determine what the situation would be if the union had not entered the picture.

The company claims that it cannot compete with the Amalgamated Sugar Company unless it keeps its costs on a comparable basis; therefore, its wage rates cannot be very far out of line with those of its competitor. In spite of this claim the wage rates of the Utah-Idaho Sugar Company were lower than the wage rates paid by their competitor prior to the entry of the union. The differential was not wiped out until after the relaxation of war time controls when the union brought pressure to bear on the employer for equalization of wage rates between the two sugar companies. Since then that has been the

1. Amalgamated Sugar Company operated in both Utah and Idaho in areas comparable to those the Utah-Idaho Company operates in. It is the plants in these states that the company and the union have compared costs and wage rates with in negotiations.
general measuring stick used by the union concerning wage rates at the collective bargaining sessions. The fact that the forty-eight hour campaign week, the company attempted to impose upon its men in 1947, would have materially reduced the take home pay of the men concerned below the take home pay of the Amalgamated employees was one of the reasons that the union opposed the swing shift plan so determinedly. While Local 23461 may not by itself have had any real effect on the wage trend since 1943 there can be no doubt that the company has considered the presence of the union and its actions in formulating its wage policy.

Another factor that might be considered is increased productivity per man hour. The officials of Local 23461 are quick to claim the increased productivity is due to increased efficiency on the part of employees. That, however, does not tell the whole truth. While worker efficiency may be responsible for a portion of the increased productivity per man hour at the Garland plant, technological changes that have greatly increased plant capacity without increasing the size of the working force have played the major part in increasing the per man hour production. It is likely, then, that inflation and technological plant improvement have been the major causes of the upward wage trend since organization with the actions of the union, the consideration of competitor wage policy, and increased worker efficiency playing only minor roles.
The present wage rate for common labor is $1.065 and the fifth annual wage survey of the Industrial Relations Council of Utah reports the average common wage rate for the manufacturing firms included in the survey to be .91 cents per hour. The same survey reports the average of all firms combined, manufacturing, retail, and wholesale, for common labor to be $1.08 per hour. Thus the Utah-Idaho Sugar Company would seem to pay its common labor a materially higher rate than the average of the manufacturing firms surveyed and is only slightly below the average for all types of firms combined.

UNION LEADERSHIP AND INTERINSTITUTIONAL POLITICS.

The current president of Local 23461 has held that office since 1945. He is energetic, intelligent, aggressive, ambitious and strong-willed. Besides serving as president of the local he has served on the inter-factory committee, as delegate to international conventions, and at present is a representative on the Midwestern Sugar Workers Council. Many of the victories the union has won have come through his aggressiveness and tenacity. He is quick to see attempts of the company to thwart union attempts in behalf of its rank-and-file, act on them and turn them to his own advantage. In general he has been an efficient capable president and has had the support of the Garland men.

Prior to 1948 there was extreme rivalry between the president of Local 23461 and the chairman of the inter-factory committee, a member of the Idaho Falls, Idaho local. They
both aspired to domination of the inter-factory committee and to dominant roles in the Beet Sugar Employees Unions. These men were at cross purposes over the company's attempt to use a swing shift during the campaign of 1947; the president of the Garland local leading the fight against it and his rival supporting the position of the company. The following is quoted from a letter from the chairman of the inter-factory committee to the secretary of Local 23461 that illustrates the rivalry between the two union leaders:

"I guess you have received all the news on the things I did and things I didn't do from Professor of Law and radicalism, D. C. Owens. Some of them are Lies...D. C. Owens has a hate that has no limit and I don't know where he would stop to down a man that has crossed his path..." 1

This letter was dated October 21, 1947 and attached to it in the handwriting of the president of Local 23461 was the following note: "I got rid of Warner for good the following April at the St. Louis Convention." Just how Warner was gotten rid of isn't explained but he lost out in both the inter-factory committee and the Mid-West Council and has since played no part in the leadership of the Sugar Workers Unions.

The president of the Garland local has been extremely active in union affairs ever since the organization of the plant there. His actions have placed him in a solid position with the members of his own local and with other locals and their leaders. His fighting has strengthened the position

1. Letter, Chairman of the Inter-factory Committee to Secretary Local 23461, October 21, 1947.
of the unions in the Utah-Idaho Sugar Company orbit. In the opinion of the writer he has but one end in view, a full time position as a labor leader and he will continue to work toward that end until he achieves it or loses out entirely. No one else in Local 23461 has had ambitions for union leadership so he has no competition within his own unit.

**ACTIVITY IN NATIONAL AND STATE POLITICS.** Local 23461 has lined up solidly behind the policies of the American Federation of Labor on all political issues affecting the labor movement. On January 31, 1946 it received the following telegram from William Green, president of the American Federation of Labor:

"Congressman C. A. Casper of South Dakota has sponsored a vicious anti-labor bill which provides for National Labor Management Mediation Board, Civil liability for unions or employees violating contracts, Unions of supervisory employees not to have union status, collective bargaining and reemployment rights to be denied those using violence in picketing or resorting to boycott, repeals portion of anti-injunction law and other objectionable features. Urge officers to wire your congressmen quickly urging them to oppose and vote against this vicious anti-labor bill HR 5262. Situation serious, immediate action urgent and necessary. Please respond to this appeal quickly. By direction executive council, American Federation of Labor."

The following night letter was immediately dispatched to Congressman Walter K. Granger of the Utah delegation in response to the plea from William Green:

HR 5262 has all the earmarks of a product of a dangerous and unhealthy mind. It is designed to destroy 50 years of labor and progress of millions of Americans.

This bill has in it the seeds of revolution and if it becomes law can well be the beginning of the end of the freedom which we hold so dear and for which so many have died. The American laboring class of people do not intend to go back to an economy under which a great surplus of every commodity necessary to human life and happiness and poverty, starvation and death could go hand in hand.

That such a bill could reach the floor of a United States Congress makes one almost despair of the future, but brings home to one the realization that when such things are possible, nothing is impossible.

We urge you to use your high office and influence, not only with the Utah delegation, but wherever it may be felt to defeat this satanic inspired legislation."

Local 23461 likewise joined in the fight against the National Labor Relations Act of 1947 (The Taft-Hartley Act), and has supported the parent federation in all its efforts to have that act repealed. Rank-and-file members of the union know nothing about the act except what has come down from the union leaders and for the most part they believe that the Taft-Hartley Act is bad because labor leaders say that it is. Their condemnation is bitter and often profane, but few of them can answer elementary questions concerning it.

Utah's present labor law, the Clegg-Vest Act, was opposed by the Utah State Federation of Labor, with Local

23461 falling into line, and remaining in line in the criticism of the act by organized labor since it became law.

The union has consistently cooperated with the Sugar Company in fighting any attempts to reduce trade barriers which limit the importation of sugar from abroad. The present share of the domestic market allotted to the Domestic Beet Sugar Industry under the quota system is twenty-five percent, and both the Sugar Company and the sugar workers labor organizations are zealously guarding that quota. The following quotation taken from a notice that appeared on the union bulletin board October 1, 1946 indicates the position of Local 23461 concerning the protection of the Beet Sugar Industry:

"When any condition exists or develops to the detriment of the sugar beet industry, whether locally or nationally, it is your duty and responsibility to take whatever steps are necessary to see that such conditions are rectified." 1

The union feels that any action or condition that will jeopardize the industry will bring unemployment to its members and, therefore, no matter how bitter its controversies with the employer may become over labor matters anyone who threatens the existence of the Beet Sugar Industry will find that industry and its organized employees united against him.

Local 23461 does not support any particular political party or subscribe to any particular economic or political philosophy, but as is the policy of the American Federa-

tion of Labor, will support any political figure who is friendly to organized labor and will oppose any such figure it deems unfriendly to the labor cause.
CHAPTER IV
AN EVALUATION

ECONOMIC-POLITICAL ASPECTS OF THE UNION. "As an institution expands in strength and status, it outgrows its formal purpose. It experiences its own needs; it develops its own problems. These become differentiated from the needs, ambitions, and problems of its rank-and-file. The trade union is no exception." The union thus develops an identity separate from that of its individual members, and the policies followed when events threaten the continuance of that identity are likely to depart from those that would be followed if the formal purpose of its inception were served. This is due, in part, to the fact that in an effectively organized institution the members will adopt the institutional needs as their own when its security is attacked. Also those who rise to leadership

2. Just as a city, a civic organization, or a business organization develops characteristics that mark them separate and distinct from the people who belong to them a union becomes, in the minds of the general public, something different than its rank-and-file members. It may become identified with long run policy, with its traditions, or with a particularly strong and colorful leader, as is the case with the United Mine Workers. In any event, when the union is mentioned a person does not think of his neighbor or friend who is a member of the union, but of something quite different. This is a factor that people in general, including union members, lose sight of.
soon regard their positions as vested interests and the decisions they make in reference to union policy, and the actions they take regarding union-management relations are motivated by inter-institutional politics, as well as by the formal purpose of the union.

The tendency of union leaders to pursue action motivated by political aims rather than those motivated by economic aims is greater where there are rival unions, or factions within the union which seek to depose or supplant them. Where either of the latter conditions exist policies will be followed with the object of strengthening the political security of those in office, even though they are of doubtful or of little economic benefit to the general membership.

Local 23461 is young, but it is becoming a part of an entity that is separate and distinct from the individuals who are its members. At its inception as a Federal Local, formed by the workers at the Garland plant, it was inseparably connected to them and their common interests. It had no being or function that did not stem from the needs of the men who brought it into existence. In the first years of its life activities were principally centered around economic gains for the rank-and-file members, either through increased take home pay, job security, or more desirable working conditions, all of which contribute to want satisfaction and thus to real income. A majority of union activity still centers around policies designed to improve
the economic lot of the average sugar worker, but along with such activity is a growing amount of action designed to improve the position of the union in the industry. The establishment of the Inter-factory Committee, with company wide bargaining replacing plant bargaining, that strengthened the union as an institution, as well as giving the worker additional backing in union-management negotiations, was the first step in establishing the union as a separate entity. The next step in the separation process came with the organizing of the Mid-West Council of Sugar Employees' Unions in 1945 and the gap was widened further by the expanding of that council into the International Council of Sugar Workers and Allied Unions. If the plans of the International mature and the basis of bargaining expands from a company wide to an industry wide basis the separation will be complete.

Prior to 1945 the presidency of the Garland local changed hands each year, but since the 1945 election that office has not changed hands. The personality of the current president has become so entrenched in the policies of the union that when Local 23461 is mentioned to the management, or to others acquainted with the Garland unit, his name is immediately associated with it. His ambitions in union politics keep him ever on the alert for opportunities to strengthen his position. Thus far such opportunities have been developed to the betterment of the individual union members. However, as
this man's ambitions are realized his actions will be centered more and more on the labor movement in general, until their bearing on the immediate economic interests of the individual members of the local he helped found become incidental to their main purpose and motivating force.

The readiness with which members of Local 23461 have accepted union leadership's appraisal of the National Labor Relations Act of 1947, evidenced by the fact that they are opposed to it almost unanimously, with few of them having any real knowledge of the provisions of the act, and the fact that they voted for a resolution backing the position of the American Federation of Labor in its fight for repeal, illustrate that they have accepted the needs of the labor institution as their own. They associate their individual welfare with the welfare of the union, and look upon anything that might be considered as a threat to the institution as a threat to themselves.

Further than that, they identify their institution's leaders, both local and national, with the institution to the extent that the leader who commands their loyalty can influence them very markedly on any issue that might affect the labor movement and its leaders.

THE UNION AS A WAGE FIXING INSTITUTION: ITS EFFECT ON WORKING HOURS AND CONDITIONS. The effectiveness of union activity in fixing wages is controversial. "In 1928 an eminent English economist complained that "...all existing wage theories
appear to ignore a phenomenon which has completely changed the whole condition of the labor market...namely, the rise to power of trade unionism, with all its consequences." Professor Clyde Dunkert, Dartmouth College, writing on the trade union as a wage-fixing institution stated that "Viewing, now the field as a whole we find that money-wages have gone up but, since prices have risen, the purchasing power of the money wages has gone down. In other words, the real wages of the workers as a whole...have either remained the same or have changed only slightly."

Professor Taussig, some years ago, declared that he agreed "with those who contend that the mere matter of wages is not likely to be affected one way or the other by the presence of unions." That trade unions have no real affect in determining wage levels is a view that seems to be widely held by economic theorists.

It is quite probable that union leaders would disagree with Professors Dunkert and Taussig. Ordinarily they look upon themselves as having improved the lot of the average wage earner, and especially union members, in regard to both money income and real income.

WAGES AND PURCHASING POWER. An examination of the wage rates paid by the Utah-Idaho Sugar Company at its Garland plant from 1937 to 1949 shows an increase in both actual dollars received, and in total purchasing power. Table IV shows that money income increased from 1937 to 1949 for class A workers from $21.00 to $45.80 per week; for class B workers from $20.00 to $44.60 per week; for class C workers from $19.00 to $43.60 per week; and for class D workers from $18.00 to $42.60 per week. This represents an increase in actual dollars received per week of 118.1 per cent. In other words the number of dollars per week more than doubled.

The union, in presenting a case for itself as a benefactor of the rank-and-file, has pointed to this as the condition prevailing before and after organization, with the implication that the union was solely responsible for the very substantial gain in money income. The company in opposing further wage increases might point to it as an argument against a need for increased wages. However, neither stand would present the whole truth. The change in the price level, or the change in the value of the dollar during the period must be considered before the money wages have any real signifigance.

When we correct the weekly money wages for each year, by applying the Bureau of Labor Statistics cost of living index, base average for period 1937-39, for each year to weekly money wages in force each year, we find that the purchasing power
TABLE IV

WEEKLY WAGES OF FOUR CLASSES OF EMPLOYEES OF THE GARLAND PLANT OF THE UTAH-IDaho SUGAR COMPANY IN ACTUAL AND CORRECTED DOLLARS FOR THE PERIOD 1937-49

(1935-39 = 100)*

<table>
<thead>
<tr>
<th>Class</th>
<th>Year</th>
<th>A Actual Dollars</th>
<th>B Corrected Dollars</th>
<th>C Actual Dollars</th>
<th>D Corrected Dollars</th>
<th>E Actual Dollars</th>
<th>F Corrected Dollars</th>
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<tr>
<td></td>
<td>1937</td>
<td>21.00</td>
<td>20.45</td>
<td>20.00</td>
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<td></td>
<td>1942</td>
<td>30.60</td>
<td>26.27</td>
<td>29.60</td>
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<td>1943</td>
<td>30.50</td>
<td>24.76</td>
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<td>23.96</td>
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<td>23.13</td>
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<td></td>
<td>1944</td>
<td>30.60</td>
<td>24.38</td>
<td>29.60</td>
<td>23.61</td>
<td>28.60</td>
<td>22.78</td>
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<tr>
<td></td>
<td>1945</td>
<td>30.50</td>
<td>23.83</td>
<td>29.60</td>
<td>23.05</td>
<td>28.60</td>
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<td></td>
<td>1946</td>
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<td>27.28</td>
<td>37.00</td>
<td>26.56</td>
<td>36.00</td>
<td>25.84</td>
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<tr>
<td></td>
<td>1947</td>
<td>38.00</td>
<td>23.87</td>
<td>37.00</td>
<td>23.24</td>
<td>36.00</td>
<td>22.55</td>
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<tr>
<td></td>
<td>1948</td>
<td>45.80</td>
<td>26.75</td>
<td>44.60</td>
<td>26.06</td>
<td>43.60</td>
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<td></td>
<td>1949</td>
<td>45.80</td>
<td>27.08</td>
<td>44.60</td>
<td>26.38</td>
<td>43.60</td>
<td>25.79</td>
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</tbody>
</table>

Source: Pay Roll Records of the Utah-Idaho Sugar Company

* Index numbers used in computing corrected dollars from Federal Reserve Bulletins, February 1947, p. 204, and February 1950, p. 230.
of the money wages changed from 1937 to 1949 for class A workers
from $20.45 to $27.08; for class B workers from $19.47 to
$26.38; for class C workers from $18.50 to $25.79; and for class
D workers from $17.53 to $25.13. When computed to a percentage
basis this is an average increase in purchasing power of 32.4
per cent.

Chart I is drawn from the wage data of class D work-
ers shown in table IV. From 1937 to 1941 there was little change
in either the money wages or the purchasing power of those wages.
The wage increase of one dollar per week in 1941 came at the
only time during the thirteen year period that the purchasing
power of the money income rose above the actual dollar amounts.
The $8.60 per week raise in 1942 gave the workers a sizable in-
crease in purchasing power but as wages remained fixed during
the balance of World War II while prices increased, that pur-
chasing power gradually dwindled away until in 1945 it had fall-
en from $23.69 to $21.50. The weekly increase of $7.40 in
1946 brought purchasing power to a high of $25.13 which rapidly
fell away to $21.98 with the spiraling prices that came with
the end of price controls. A wage increase of $7.60 per week
brought purchasing power to $24.90 in 1948 and in 1949 purchas-
ing power rose to equal the 1946 high of $25.13 as prices de-
clined slightly. Thus in 1946 $35.00 was equal in buying power
to $42.60 in 1949.

The data of table IV and chart I show a 32.4 per cent
Chart 1. Weekly wages of common laborers (class D Employees) of the Garland, Utah plant of the Utah-Idaho Sugar Company for the period 1937-49. (Data from same sources as Table IV.)

- Actual Dollars.
- Corrected Dollars.
increase in purchasing power of the wages paid per week in 1949 over those paid in 1937. To what can this increase be attributed?

The increase began in 1942 before the Garland plant was organized, but after other plants of the company in the Utah-Idaho area had been brought under union influence. The union, because of this, claims such increase is a result of union activity. The company denies this and points to the shortage of workers that existed during World War II, and immediately afterward, and the increased productivity of the plant over the period.

In attempting to determine what effect the union might have played in bringing about the increase in real income, let us examine the general wage trend of all manufacturing industries and of the Beet Sugar Industry, as a whole, during the period. 1 Table V compares the average weekly wages (forty hour week) of all manufacturing industries, the Beet Sugar Industry, and the Utah-Idaho Sugar Company. It shows that all during the period the weekly wages for all manufacturing and for the Beet Sugar Industry remained reasonably close, and that they followed the same general upward trend all through the period. All through the period the weekly wages of the Utah-Idaho Sugar Company 2 were well below the weekly wages of the other two groups. In

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1. The wages of supervisory employees are not included in these averages.
2. It is significant that unionization did not close the gap between wages in the Utah-Idaho area and other areas during the period studied. Actually the gap was widened where the Beet Sugar Industry is concerned.
TABLE V

AVERAGE WEEKLY EARNINGS ALL UNITED STATES MANUFACTURING INDUSTRIES, BEET SUGAR INDUSTRY, AND THE UTAH-IDAHO SUGAR COMPANY FOR THE PERIOD 1937 TO 1949 (Actual Dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>All Manufacturing Industries</th>
<th>Beet Sugar Industry</th>
<th>Garland Plant Utah-Idaho Sugar Company</th>
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<tr>
<td>1937</td>
<td>25.92</td>
<td>21.32</td>
<td>19.50</td>
</tr>
<tr>
<td>1938</td>
<td>25.40</td>
<td>23.44</td>
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<td>1939</td>
<td>26.04</td>
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<td>1940</td>
<td>26.68</td>
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<td>29.76</td>
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<tr>
<td>1949</td>
<td>56.36</td>
<td>54.32</td>
<td>44.15</td>
</tr>
</tbody>
</table>

1937 when the gap between all manufacturing and beet sugar manufacturing was widest, the average wages of the Utah-Idaho Sugar Company was nearest the average of the industry. The average weekly wage for all three more than doubled during the period. Thus the wage trend of the Utah-Idaho Sugar Company, when we consider the period as a whole, was in line with the wage trend of the Sugar Beet Industry, and with the wage trend of all manufacturing industries in the nation. However, it should be noted that there was a gradual increase in the average weekly wages paid by the Beet Sugar Industry and by all manufacturing industries between 1937 and 1941, while the average weekly wages of the Utah-Idaho Sugar Company virtually stood still. In 1942 the local company shows an increase of nearly nine dollars per week, more than double the 1942 increase of the other groups, but not large enough to wipe out the differential. The Idaho plants of the local company were organized during 1941 and 1942. Also the Garland unit made its first moves toward organization in the summer of 1942. The possibility that the company raised wages at the Garland plant in an attempt to head off unionization should not be overlooked. If that is true the union certainly played a part in bringing about the wage increase at that time. However, empirical data proving the union's affect is lacking and one should be cautious in forming conclusions concerning it.

Certainly the presence of the union has placed pres-
sure upon management for increased wages. Such pressure was a factor in bringing about the equalization of Utah-Idaho Sugar Company wage rates with those of the Amalgamated Sugar Company's, and it was under that pressure that the company granted the forty hour campaign work week in 1944. Without the union there would have been some increase in wages. The forces of competition in a labor market characterized by short supply would have forced the wages up to the competitive level, or all workers would have shifted to other jobs. The defense projects around Ogden, Salt Lake City, and Clearfield, Utah drew heavily upon the local labor supply and a number of men who had, prior to the emergency, been seasonal employees of the company took steady jobs in those areas. If the company had not raised its wage rates it would have lost more of its men.

Higher wages, shorter hours, and technological progress have gone hand in hand in the history of our economy. The World War II and post war "boom" periods brought increased profits to the company; profits that were plowed back in the form of technological changes that increased the per man output of the Garland plant. For instance, before the war the Lime Kiln at the Garland mill required eight men per shift. Changes in the kiln have reduced that number to two when the slaker is not being used, and to three when the slaker is being operated. Such changes increase the marginal efficiency of the plant and thus provide a larger product to be divided among the factors of production.
Union pressure, the forces of competition, technological improvements, and the inflationary war and post war economies have all contributed to the increase in wages over the period studied. To attribute a major portion of the increase to union activity would be arbitrary and difficult to substantiate.

**WORKING HOURS AND CONDITIONS.** Working hours and conditions have long held prominence in union-management relations, with each party maneuvering in bargaining sessions for agreements regarding these factors that would be advantageous to the parties concerned. Management, interested in keeping costs as low as possible, is always trying to lengthen working hours or prevent them from being reduced, and unions are continuously attempting to shorten the base period without a corresponding reduction in wages. Unions are ever active in their attempts to induce management to make plant changes that will improve working conditions and management strives to keep expenditures for such changes as low as possible without reducing worker efficiency.

Working conditions at the Garland plant have improved considerably since the union was organized. A heating system has been installed to heat the mill during inter-campaign when the processes of manufacturing do not keep the plant warm. Repairs to lines and vats have been made which have eliminated wet disagreeable areas that formerly existed. Broken cement
Floors and walks that were formerly a hazard have been replaced or repaired. Indoor rest rooms with modern plumbing have been installed and other changes made that make the plant a more pleasant place to work.

The union can not take credit for all of the changes enumerated above. Some of them were in the process of being accomplished at the time the plant was unionized, but most of them have come since then. The Utah-Idaho Sugar Company had lean years throughout the 1930 to 1940 period and the Garland unit was allowed to become run down in many respects. The maintenance budget during the period was at a minimum. Only those things that had to be done to keep the plant in operation were taken care of.

By the time the union came, in 1943, the company was two years along in the World War II "boom" and was in a position to begin to give attention to the deferred maintenance of the depressed thirty's. Many of the corrections in plant deficiencies that improved working conditions would have been made in the absence of the union. The union through its representation on the safety committee has made suggestions for changes that would enhance safe working conditions, and those suggestions have probably had some affect in persuading the local management to correct the more serious accident hazards. However, the safety committee has only the power to suggest. Decisions concerning expenditures for safety devices and measures are made
solely by the local management, and the union representatives are without power to take action beyond the suggestion level.

The union, very clearly, was responsible for the reduction of the campaign work week from fifty-six hours to forty hours. Also it prevented the company from employing a swing shift that would have limited the majority of campaign workers to six days of work a week and thus reduce their take home pay. Thus the union has successfully exerted pressure on management concerning working hours in such a way as to improve the economic position of its members.

Very real gains, brought about through organization, have come as a result of the grievance procedure set up by collective bargaining agreements. The grievance procedure and its successful application has been a real factor in improving employee morale. Through it men have been able successfully to appeal discriminatory acts, motivated by favoritism and nepotism; through it their seniority rights are, to some degree, protected; and through it they have been protected from the abuses of the local management that caused so much dissatisfaction in pre-union years.

MUTUAL SURVIVAL. E. Wight Bakke, Director, Labor and Management Center, Yale University after interviewing about sixty leaders in management and sixty union leaders in nine major industrial centers stated as follows:

"I could not avoid a major conclusion. At the basis of most specific difficulties reported was
the fact that both management and union leaders were expecting the other to behave in a way which each believed was impossible if they were to continue to survive. Each was expecting peace on terms consistent with his own sovereignty. . . . Management expected peace when the unions become the kind of organizations which fitted in with management's conception of the principles of workable industrial relations. Union leaders expected peace when management accepted and bargained in good faith with unions as they were in their essential characteristics. Both were willing that their tactics and strategies should change, but not the principles of sound management on the one hand or the principles of effective unionism on the other. . . . It was a stubborn reaction because men identified the survival of their organizations with the maintenance of those principles.

The plain fact is that management's convictions about sound management and the union leaders' convictions about effective unionism don't fit together at important points. Someone is going to have to modify his convictions enough to make workable mutual relations possible unless we want to face a struggle for dominance. 1

Thus E. Wight Bakke sees the basic issue between unions and management as one of mutual survival. Each regarding the others' existence in its present form a threat to itself and each struggling to dominate the other by gaining sufficient dominance over it to force it to materially break from its traditional point of view.

**STRUGGLE FOR SURVIVAL.** The struggle for survival that E. Wight Bakke saw as a result of his interviews with sixty industrial leaders and sixty labor leaders does not appear on the surface in this situation. Union leaders expect the company to make a reasonable amount of profit from its operations. The company expects the union constantly to press for

economic gains for its members and each party has considerable respect for the other.

Interviews with the General Officials of the Utah-Idaho Sugar Company indicate that the company has a very high opinion of its employees. The expression was made by the Assistant General Manager that the average Beet Sugar Company employee was well above the average of the nation's workers as a good citizen and in intelligence. While management admits that there has been heated disputes over collective bargaining issues it believes that its relations with the union have been excellent and as free from trouble as could be expected. Management also believes that, in general, its employees are loyal and satisfied with their work; and are interested in their employer's progress and profit. To the question, "Do you consider the presence of the union as a threat to the continued existence of the company?" the reply was an emphatic "No."

The statements of the company seem to be born out by the attitude and policy of the union. In his acceptance speech, after he had been elected president of Local 23461 in September 1945, Mr. D. C. Owen stated as follows:

"Personally I am not as much concerned about employee-management relationship, at this time, as I am with the possibility that in the near future there may not be any sugar beet industry for the management to manage...If we are properly and strongly organized we can pull the whole weight and strength of the American Federation of Labor to maintain the Sugar Beet Industry at a scale not below its present level."

1. Mr. D. C. Owens, Acceptance Speech on Installation as President of Local 23461, Sept. 1945.
Further affirming this stand the following notice appeared on the union bulletin board during the campaign of 1945:

"We are committed to the policy of increased efficiency, increased production, increased profits and increased wages. It is our conviction that this can only be brought about by expanding production and expanding markets. And these cannot be brought about by declining purchasing power (lower wages). To go back to pre Pearl Harbor wages and prices is to go back to pre war economy, which ultimately leads to national economic disaster."

Interviews with both management officials and officers of Local 23461 as well as the above quotations indicate that both parties subscribe in some degree to the marginal productivity theory of wages. Both have stated that the only way profits and wages can be materially increased is through increased plant productivity which means that an increased marginal productivity must be realized from all factors of production if the desired goals are to be reached.

Thus far Union-Management bargaining has been on not larger than a company wide basis, and the union has been represented in negotiating sessions by employees of the company. If this condition continues the general good feeling and relationship that has prevailed between the parties may continue indefinitely. However, if the present plans of the International Council of Sugar Workers and Allied Industries Unions mature,

and bargaining is established on an industry wide basis the
honeymoon may well be over. The company will find its employ-
ees represented at negotiation sessions by outsiders who will
have no ties with the company and little personal interest in
it. When and if that situation develops the company and Local
23461 will find themselves reduced to the importance of mere
pawns in a game where E. Wight Bakke's thesis of mutual sur-
vival might well apply.
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