Trying to Stay Alive: Collective Bargaining in Brooklyn

Do-All negotiating committee: Andy Seay (second from [illegible]), and Pedro Diaz, Arcadio Pinto, and Felix Tirado

The days are over when unions went into negotiations without considering the employer's well-being. Trade unions, for better or for worse, accept certain rules, the most notable of which is that anything won by labor can be maintained or improved upon only by associating the workers' interest with that of the economy in general and the industry in particular. When times are good, and workers feel the promise of the good life coming within their reach, they rally behind their union.But in a time of inflation, fuel and raw materials shortages, and threatening unemployment, interest lines break. The delicate alliance between employer, union, and worker cracks and strains. Long-latent conflicts and tensions emerge. And it often turns out that the long-term interests of the union conflict with the prompting of rank-and-file militancy.

The troubles of the times are most threatening to the small, marginal unions and the small, marginal companies. Big Labor does not, after all, represent the majority of unionized workers; and most employers are not corporate giants. While the Autoworkers or the Steelworkers negotiate on behalf of hundreds of thousands of workers with titans like General Motors or U.S. Steel, much of organized labor remains to this day an amalgam of tens of thousands of affiliated locals. Their jurisdictions are scrambled. Their memberships range from the thousands to a dozen. Their methods vary. Their autonomy, honesty and militancy also vary. Yet these locals are the rank and file of the American labor movement. And when it comes time to negotiate a new contract, the small local and the small employer circle each other like two little fish, preparing to do battle in a sea full of sharks.

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Anderson W. Seay (pronounced C-A) is a business agent, negotiator and troubleshooter for Local 107 of the United Paperworkers International Union. Local 107 represents about 2500 mostly semi-skilled workers in 65 disparate and mostly low-wage shops in and around New York City. Late last year Local 107's contract with the Do-All floorwax company was due to expire. Andy Seay, for ten years himself a worker in a paperboard plant, was responsible for opening negotiations on that contract:

As Seay arrived at Do-All's sooty, brick-faced Brooklyn factory, he was a man in the middle. He was carrying demands for a $20 pay increase and an increase in health and welfare benefits; he was facing a company that he knew couldn't meet all the union demands in a year when it had been hard hit by shifts in the national economy.

A negotiating committee had been formed. It consisted of four workers who had volunteered at an open shop meeting—the same men who had worked on the 1970 contract, and substantially the same ones who had negotiated in 1967.

All the men of the committee were Puerto Rican, as are all Do-All's workers. There was Arcadio Pinto, a 20-year Do-All veteran, and by his seniority something of a patriarch. There was Angelo Reyes, expansive, mellow, another long-term Do-All man. Felix (Filly) Tirado, buoyantly pudgy, betrayed a tiny shameful smile, as if to say, "OK, let's see what they'll give us." Finally, there was shop steward Pedro (Petie) Diaz, strikingly younger than the others and much more fluent in English. He stood waiting for the union man with his feet spread apart, his hands thrust deep into the pockets of his grey work uniform, and a sharp, almost creased look of worry upon his face.

Seay came in. "All right, let's go," said the business agent, and led his platoon forward into the company offices.

They entered a windowless, airless room piled high with maintenance product catalogues. Do-All Vice President Ted Stevens sat at the head of a bare wooden table, dressed in a blue worksmock. He began to address the committee on either side of him and Andy Seay on the other end.

"I couldn't afford that kind of increase if I wanted to, Andy," he began. "If anything, the company's been running at a loss. If I had to give you $20 a week I'd be out of business."

It's a standard gambit from the

Photographs by Abby Robinson

by Jonathan Maslow

employer's end of the table. But Do-All's actual rate of profit won't enter the negotiating room. "We would never discuss the actual figures," Seay told me later. "If the negotiations committee knew exactly how much Do-All was making, they'd demand three-quarters of it in salary increases." Instead, Seay parried.

"Well, you know," he replied, "we'll have to find a place where we can live together. But with the cost of living going up as it is, money is going to be the big thing on our minds."

A Do-All personnel list tells that tale. Felix Tirado earns $152 a week for 40 hours of work. Angelo Reyes and Arcadio Pinto make $148. Pedro Diaz brings in $120. With the exception of the shop steward, the men sitting at the table were the highest paid workers at Do-All.

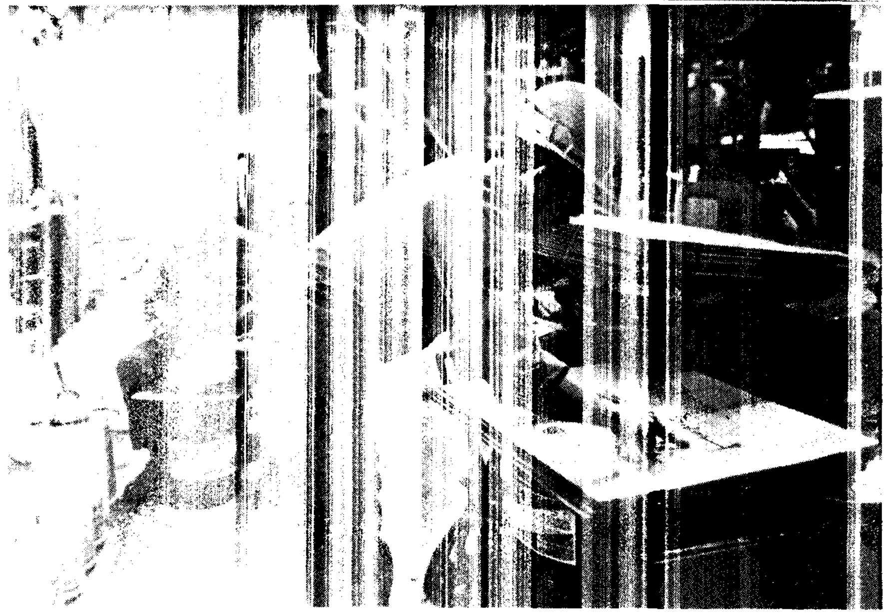
Most of the other 17 Do-All employees earn between $90 and $110. It was toward them that the company's next counter-proposal was directed.

"Let me preface by saying that the company would like to be able to equalize wages in the shop," said Ted Stevens. "We'd like to raise up the guys at the lower end of the scale by giving them a larger increase than those at the higher end. Frankly, Andy—and Mr. Goodman [the owner] agrees with this because we've discussed it—I feel bad for the guys who've been working here six or eight months and are only making $85. I'd like to give them a little more."

The members of the committee, all older workers at the upper end of the scale, glumly considered management's magnanimity.

But the offer was unacceptable to the union for reasons other than the committee's vested interest. Both sides present understood that when layoffs come in 1974, with the expected closing of one Do-All plant, the newer workers, with less seniority, would get the heave-ho first. The larger pay envelope offered here with one hand would soon be taken back with the other hand. But perhaps more to the point, the company's offer to balance older workers with newer ones would unbalance the union's efforts to standardize wage rates on the basis of seniority.

"I don't think that would help very much," the union man countered.



Inside the Do-All plant

"Why don't we talk about fringes first?"

In a few minutes, Seay and Stevens had agreed on vacations, notifications of plant closings, and a few other border points. But the company stiffened at the demand for increased severance pay, and Andy called for a caucus of his committee.

"I think we should stop negotiating at this point," he stated flatly. "We've gotten most of the crap out of the way and the negotiations are going to revolve around the money."

Petie, the shop steward, smacked his lips but looked disappointed. "We won't get $20?" he asked diffidently.

"No," Andy replied sternly. "He'd have to close up and send everybody home. You knew we couldn't get it. We're here to negotiate with the guy."

Petie looked genuinely crushed but Arcadio Pinto, the patriarch, came to the rescue.

"Fifteen dollar," he announced. "They no make it fifteen dollar," and he waved his hands furiously over his head. "Look, subway fare 60 cents, newspaper 15 cents," he sobered, and leaned menacingly across the table, staring at the business agent. "In case the boss no pay fifteen dollar, we go on strike."

"Let's not talk about a strike so fast," Andy urged. "You wouldn't go out for a dollar, would you?"

"Listen," warned Arcadio, "My point is, everything goes up. Why wages go down? You here to listen, no to give us information. When you listen good, then you negotiate."

Andy Seay decided to do just that, and the first session ended with no further discussion.

[ONE CONTRACT, MANY INTERESTS]

Listening is actually just one part of Seay's job. Seay plies his trade with four things in mind: the economy in general; the company's potential for concessions; the union's institutional interests; and the shop's demands.

At Do-All now—as at many similar small companies—hardships this year are very real and serious. There are signs that a nationwide shakeout of marginal companies is under way, especially in the petroleum-based industries. The base materials of Do-All's products are 90 percent petrochemicals, and in the last year, materials prices have skyrocketed.

Fully two-thirds of the company's floor products are sold to the Army under fixed contracts. Because of the difficulty in obtaining materials, and their rising prices, delays and cost overruns are inevitable. When the contract expires, Do-All has decided to forego its government business. The company will probably be forced to close one of its two Brooklyn plants and to lay off some of its employees.

Do-All, once a subsidiary of the Technicolor Corporation, is now owned by Stanley Goodman. Since Goodman took over in 1964, he has been approached by prospective corporate buyers such as ITT and Metropolitan Life Insurance. "It's a trend for the giants to absorb the little companies," said Ted Stevens, Do-All's

Two Do-All employees

vice president, "but at this point nobody wants to invest because of the materials situation. But if the shortages abate a little, there'll be companies coming around again."

A merger into one of the conglomerates has its temptations for Do-All executives. Such a move would give the company access to a larger firm's marketing system. And merger into a company controlling raw materials would end the inordinate amount of energy—half of all of management's working time—spent in foraging for base chemicals. A large conglomerate could also afford the expensive high-speed automated "reactors" to replace the old oil-heated boilers in which Do-All's wax formulations are prepared. But one reactor would also do the work of five men, and Ted Stevens admits this would "put a dent in the union."

Local 107 cannot ignore the future. Ever greater concentration in industry makes life more difficult for small unions. If Do-All were swallowed by a conglomerate, formidable problems would be added to Local 107's position. With too small a staff, a collection of 65 independent contracts, and its "personalized" shop services, the local lacks the managerial tools for bargaining with a monolith.

The AFL-CIO already has an Industrial Union Department, which tries to coordinate solutions to the problems of small craft unions facing large corporations. For its part, Local 107 is trying to standardize all of its contracts toward the day when the little companies it deals with are bought out and the small unions of its class start to lose control. A standard contract for all its shops would allow focusing the union's energy in one direction and giving more punch to a strike threat.

While these broader considerations are primary for Seay, the agent must mind the voice of his rank and file. They must be convinced of a contract's worth in order to ratify. And if they fail to ratify, none of the other interests are served.

[ON THE TIGHTROPE]

From the start of any contract talks, the union man begins the psychological struggle to mold the negotiating committee toward the day when they will sell the contract to the shop for him. It is a process that entails cajoling, succor, attrition, momentum, and a feel for steering that warns the agent when he is on or off course.

But even if a negotiator has a talent for reading the minds of his committee, workers can play their cards too close to the vest for him to pick up their signals or play the wrong cards entirely and force the negotiator's hand. Misinformation and missed communications result in longer negotiations, weaker contracts, and agent-committee tensions.

The second Do-All negotiating session, one week after the first, led to a situation that exemplified the fragility of this agent-worker relationship. The misunderstanding began when Do-All President Stanley Goodman abruptly introduced fuel-saving measures into the contract talks. Middle-aged, bald as a hardball, negotiating in a tough, Brooklyn accent, Goodman warned the union of cutbacks.

"What we want is to have the option in the contract of changing the work schedule for four ten-hour days, if that proves necessary during the heating season. Maybe everyone will like it better. I've read it's supposed to be the coming thing in unions. But if we don't go on something like this I'm afraid we're going to have full weeks without work late in the winter."

Neither the company nor the union feel it is their duty to sacrifice anything for the oil companies. If anything, the fuel crisis, like Mr. Nixon's now defunct pay board, has become merely another weapon in the arsenal, hurled across negotiating tables to see if any blood is drawn. And Goodman's proposal seemed to call for the employees to sacrifice their overtime pay for longer-than-eight-hour days.

Andy Seay called his committee into caucus to hear them out on the four-day week. Overtime is the bread and butter of the low-wage manufacturing worker. It makes the difference between being able to live on a paycheck alone and having to supplement pay with welfare. At first, however, the men easily acquiesced to Goodman's proposal. The union came back and told Do-All that the shop would agree to the four-day week provided arrangements for overtime were clarified.

By the next session, however, Petie Diaz stopped the union negotiator on the shop floor right outside the office to declare "the boys no want a ten-hour day."

Andy Seay was flabbergasted. "But you agreed to it in the negotiations," he admonished the shop steward.

Petie shrugged as if he were a helpless bystander in the tumultuous clamoring of the rank and file. "But the boys no want it," he answered. "It's all right. We no sign a contract yet."

But it was not all right, for quite apart from the specifics of the issue, a mercurial committee indicates to management a lack of control by the union. What was bothering the boys was the very overtime issue which Seay had been careful to leave open for further negotiation.

Seay reported to management that the men had "misgivings" on the four day week. The issue was belatedly dropped from the agenda, but the men, now aroused and suspicious, carried their doubts into other areas. When the company offered a $24 pay package at the same session–to be spread out at $10 the first year, $8 the second, and $6 the third–*el comite* not only harshly slapped down the proposal, but began to question the very nature of the negotiating process.

"How many wax places got this union?" Arcadio demanded to know when the committee was in caucus. He was told the union had only this one. "Then the union know nothing about this kind of work. I'm sorry. This is crazy," he concluded, folding his arms across his chest and shutting his eyes.

Seay was forced in the next weeks to expend nearly as much effort finessing his negotiating committee back into line as resolving the contract issues across the table. He accomplished this by stepping up pressure on both sides.

To the committee he said: "I must be perfectly frank with you. I know he won't give you a $20 increase. If I tell Goodman that we'll stand on the $20 demand, he'll close up shop and that's that. Look, I know you want a big salary. Everyone wants a big salary. But for God's sake be realistic."

To the Do-All management Andy also got tougher: "We're rejecting your offers and we're so far apart there's no point in continuing our discussions. The cost of living has gone up so far that the people think they have to get a decent increase. We know your costs have gone up. But the kind of raise you're offering would be eaten up in two months and you know it."

Ted Stevens nodded sadly when he heard this. "I know," he lamented. "Aside from these negotiations, I'm in the same boat. I haven't seen any money out of this company all year."

Carefully and slowly, like a tightrope acrobat on a bicycle, Andy Seay raised the company up and pushed the negotiating committee down in the sessions approaching the contract deadline, until a balance was reached. As the distance of the two sides diminished, the workers admitted there was less and less reason to go out on strike.

And as the size of the probable settlement dwindled from original demands, the committee turned in two directions. They began to adopt a new attitude toward fringe benefits, which before had seemed all but inconsequential to them. Pedro Diaz made sure that the cost-of-living clause would remain the same. Arcadio Pinto became mildly enthused over the new dental program. There was the feeling that whatever the boys couldn't get in dollars and cents, they would try to make up in benefits.

But the negotiating committee–weary of the weeks of meetings, impatient with the talk–also began to apply a coat of cynicism to their disappointment. They saw that in the months ahead they would be working less overtime. They still did not believe that the oil shortage was anything but a mangement excuse to lower their earnings.

"In case they have trouble with oil, close the plant," remarked Arcadio Pinto, "they no have to pay nobody. Close the plant! I tell you what. I go for the contract if he [Goodman] send one check every month to my landlord. Call him back. Maybe he give us one penny more. Tell him we go for ten dollars and one penny."

Such bitter expressions reflect feelings that come out on the shop floor later. They are the stuff of rank and file alienation from trade unions.

[COMPROMISE]

On November 30, nine days before the strike deadline, while the Stock Market took its worst plunge in years and people felt the first hard bites of the coming recession, Local 107 and Do-All Corporation signed a three-year contract.

Both sides had made significant compromises. The men would get an $11 raise per week the first year, $10 the second, and $10 the third, with their cost-of-living adjustment. Pay for the new workers was standardized. The dental plan was initiated but with only half the time off the union wanted. Health, welfare, and retirement benefits would lag the first two years but then shoot up in the third year to conform to the union's other contracts. And there would be somewhat more severance pay, though not nearly as much as the local had demanded. Hospital leave would have to be substantiated by an authorization, and sick leave was no longer accruable through three years. The Do-All management reserved the right to alter the work schedule according to whatever circumstances dictated. These were the terms of the settlement.

Such a settlement obviously settles precious little, but that is not the fault of the union or the company. Do-All will still be pushed out of the Army supply business and have to lay off workers. The remaining workers, although they will be earning higher hourly wages, will be hurt by loss of overtime. The union will get a good measure of standardization, but only in the third year of the contract. And the company's willingness to capitulate in the third year indicates that it expects either a sellout, merger, or change of management to take place that might very well harm standardization anyway. In short, the marginal company and marginal union proved too weak to buck the current, too confined to explore any new principles. Problem-solving had only shifted the problems from one area to other areas, or, at best, into the future.

Nevertheless, as soon as terms were agreed upon and hands had been shaken all around, Andy Seay grabbed a phone to call his office and get the local's OK before writing a binding memo. He wanted that memo signed before the workers' committee left. Even an hour outside might change their minds, start them reflecting, perhaps, that weeks ago they were going to walk out if they didn't get $20.

But Local 107's president was out at a union luncheon and wouldn't be back for an hour. The business agent hung up the receiver. He was in a quandary while Stanley Goodman was telling the men to get back to work and earn their raise.

Ten minutes later, Andy Seay was out in the shops getting a ratification vote with or without the office go-ahead. There are too many things transitory about even a successful contract agreement and Seay was taking no chances. He worried more about the rank and file than about his boss's nod of approval.

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Illustration by Sandy Huffaker

Lockheed:
The High Cost of Dying

Many authorities blame the dinosaurs' extinction on the fact that these giant beasts outgrew their food supply. Like all true reptiles, they continued to grow as long as they lived. The more they ate, the bigger they grew. The bigger they grew, the more they *had* to eat. Some grew so large and heavy that their legs would not support their huge bodies unless the monsters were partially bouyed up by water. Handicapped by immobility, a natural torpor and pea-sized brains, the brutes had neither the strength nor the motivation to waddle elsewhere when their puddles dried up. In the inexorable way of nature, they became mercifully extinct, leaving the field to smaller, more adaptive and energetic warm-blooded competitors.

Not so with the aerospace dinosaurs the federal government supports with our tax dollars. Living in a cost-plus world where the laws of natural selection are suspended, all they need do is bellow when their food becomes scarce and taxpayers scurry around getting up more money for them, even if it means making personal sacrifices and burdening their grandchildren with crushing debt. These giant corporations are thus relieved of any real responsibility for controlling their vast appetites, for producing quality goods which people want to buy, or otherwise competing for the favor of consumers. There is little question about what would happen to the aerospace giants if they were forced into a real world of true economic competition.

Last fall Senator Proxmire got some information from Pentagon sources which illustrated just how grossly fat were some of the Pentagon's pet dinosaurs. Based on these figures, an ordinary $400 color television set could cost $8000 if built at efficiency levels displayed by one of the Pentagon's favorite electronic contractors. In my own experience, cost levels of 2 to 10 times what would be tolerable in the competitive consumer markets are commonplace among aerospace giants.

This, of course, explains one of the reasons the Pentagon is the favorite zookeeper for our dinosaur companies. Argu-

by A. Ernest Fitzgerald