

"The Importance of Labor-Management Peace
In America's Economic Future"

An Address

by

W. J. Usery, Jr., Director
Federal Mediation and Conciliation Service

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It is good to be back among my friends and neighbors of Milledgeville. My work has taken me to a lot of places, from Florida to California, and more lately to the banks of the Potomac, to our Capitol in Washington. But it is always good to come home.

I thought I would talk tonight about some of the problems of this great country of ours, and how the role of peacemaker in the field of labor-management relations that I am in can contribute a great deal to the further success of our Nation.

It is a great privilege to be an American. I believe our President reminded us of this in his broadcast the other night following the departure of the last of our troops from Vietnam. He said that in worrying about some of our problems we tend to forget that we have the greatest country in the world, and that we are all especially privileged to be part of it.

(Read your printed statement).

We need to support our country and our President so we can all go forward to greater progress and prosperity. We are beneficiaries of the hard work and wisdom of the pioneers and others who have gone before us. We cannot let them down or the children who will follow us. We must improve and build our country into an even finer place to live.

If we are going to make that kind of contribution, we have a big job to do, and it's a job for everyone of us.

Let's look back a quarter century. America led the entire world. We could produce anything we wanted better and cheaper than anyone else. We could sell our products throughout the world and make a profit doing it.

We could afford the luxury of losing production through strikes. We could operate our factories almost anyway we wanted, and still be more efficient than any other foreign country. We could be wasteful with our national resources because we were blessed with an overabundance.

Now that situation is changed. On one ocean there is Japan, which has challenged our production ability. On the other ocean, there is the new and flourishing European Common Market, which has grown in efficiency and ability.

We have peace in the world now, with the end of our involvement in Vietnam. Hopefully, we can remain at peace and concentrate on repairing and rebuilding our industrial might and productive ability into the degree of unchallenged supremacy it once enjoyed.

In other words, we are entering an era of increased trade competition. Our prosperity will depend on our ability to hold our own and take the lead in this competition.

As I said, we are all involved in this. If America is to increase its productivity, or over-all efficiency, everyone must do his part.

This means that labor and management must work together to avoid costly work stoppages. They must work together to eliminate uneconomic work practices and production methods. They must strive together, as partners, to make better products more efficiently.

Now that's where collective bargaining comes in. And where there's collective bargaining that's where my Agency, the Federal Mediation and Conciliation Service, comes in.

Now you might say that labor and management are natural enemies, each coveting what the other has got, so why should anyone expect any cooperation out of them?

Well, I'll tell you something. When you meet with people day and night, around the clock, for days on end, you learn a lot about them.

I have learned that the labor people I deal with are good citizens, loyal Americans. They are concerned with the future of their country. The employers I meet with, too, are patriotic men who want to attain progress for their businesses and for the Nation.

These people, from both sides, realize now more than ever that their own individual decisions are all part of the total that will decide the direction in which we are all going.

I believe that labor and management are more mature, more considerate of the national welfare, today than they ever have been.

One example is the new agreement in the steel industry, one of our basic industries. Just a few days ago the union agreed with the principal steel companies to do away with strikes for the foreseeable future. They agreed to negotiate a new contract next spring without work stoppages of any character. They agreed that if they fail to agree on certain issues, they will present their arguments to an arbitration panel and accept whatever decision the panel may make.

Now what does this accomplish. It means there will be no costly stoppages. Possibly equally important it means that the consumers of steel will avoid what they have done in the past to stockpile steel for fear that a strike might happen. This, in turn, means that the steel mills can operate more efficiently, at a steady pace that will avoid the spurts and lags in production. It very likely will mean that the cost of steel will be more moderate.

Now this is the type of improved efficiency of labor and management cooperation that I've been talking about.

Something similar has happened on our railroads, an industry that needs a lot of improvement, another industry that is vital to America. I have been quite active in the labor relations picture of the railroad industry.

Several years ago I helped settle a number of new contracts on the railroads, several of which caused serious transportation strikes. I suggested to the unions and the railroads that instead of negotiating contracts at a lot of different dates, that all the railroads do all their negotiating at once, and that we get it over with at one time.

Well, we have succeeded in that goal. The railroads have just completed agreements with practically all their unions, agreements that hold the promise of labor peace for some time to come.

Another sign of the current propensity for labor peace are the current strike figures. The Government figures for work time lost due to strikes are less than one-tenth of one percent, an extremely low figure.

There are a number of other industries that are working out their own arrangements to avoid stoppages and to improve the economic outlook of their enterprises. This will benefit everyone, the workers, the management, the stockholders, the public.

Many of these developments are most encouraging. But I am not predicting the millennium. From the beginning of 1973 to the middle of 1974--eighteen months--contracts are expiring and must be renewed for about 7 1/2 million workers. This is the greatest number of workers involved in bargaining in so short a period of time in our history.

We are going to have problems. It is the role of the Federal Mediation and Conciliation Service to anticipate those problems and to help solve them. We will try to assist both sides to avoid strikes. When work stoppages do occur, we will try to keep them as short as possible.

Our Service is made up of some 250 skilled mediators working in over 75 of the principal industrial areas of the country.

We will be busy in the months ahead working in the front lines of labor-management conflict. We will do everything possible to make the collective bargaining process work successfully and to encourage greater levels of labor-management understanding.

In this way we can do our part to enhance the economic health of the Nation. We can help labor and management fulfill their own responsibilities.

Thank you for your attention. It has been a pleasure to meet with you here tonight.

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