REFUSALS TO RATIFY CONTRACTS

•

Address by

William E. Simkin, Director

Federal Mediation and Conciliation Service

Graduate School of Business The University of Chicago

000

Chicago, Illinois November 17, 1967

#### ACKNOWLEDGMENTS

This study was made possible by prompt and thoughtful response of almost 250 mediators to the detailed questions posed for all membership rejection cases in which they had participated over a two-year period. Moreover, these questions had to be pondered and answered within a limited period of time during the very heaviest disputes work period of the year. In many instances, this work "beyond the call of duty" had to be performed outside normal working hours.

Special credit is also due Administrative Management personnel at the Washington office who, likewise, cooperated fully in this special project during a period when year-end reports and budget preparation tasks were heavy seasonal burdens.

Charles Tilton, at the Washington office, performed very capably and imaginatively the coordination and much of the detailed work, beginning with the framing of the questionnaire and ending with presentation of the final statistical data. He was also extremely helpful to the author in constructive criticism of the text of this report.

i

William E. Simkin

CONTENTS

1.	Introduction			
II.	Background and Limitations of Federal Mediation and Conciliation Service Study	2		
III.	The Facts	6		
	A. Nationwide Incidence and TrendsJoint-Meeting Cases	6		
	B. Rejections by Months	7		
	C. Regional and Locality Facts and Trends	8		
	D. Rejections by Type of Case	8		
	E. Rejections by Duration of Bargaining Relationship	9		
	F. Rejections by Size of Bargaining Units	9		
	G. RejectionsStrike or No Strike	10		
	H. Multiple Rejections	11		
	I. Rejections by Advent of Mediation	12		
	J. RejectionsUnions Involved	13		
IV.	Causes of Rejections	15		
	A. Background Causes vs. Ratification Procedure Causes	15		
	B. Background Causes	17		
	C. Causes by Types of Issues	23		
	D. Ratification Procedure Causes	25		
۷.	Rejection Backlash	34		
VI.	Monetary DifferencesFinal Agreement vs. Rejected Agreement	35		
VII.	Suggested Solutions	39		
/III.	Conclusions	41		

T

## TABLES

I.	Settlement R	ejectionsBy	Months
11.	Settlement R	ejectionsBy	Regions
111.	Settlement R	ejectionsBy	Type of Case
IV.		ejectionsBy Relationship	Duration of
v.	Settlement R Unit	ejectionsBy	Size of Bargaining
VI.	Settlement R	ejectionsSt	rike or No Strike

# APPENDICES

A. Mediator Questionnaire

......

#### I. INTRODUCTION

The time is August 1947. The place is Washington, D. C. The Congress has passed the Taft-Hartley Act, overriding a Presidential veto. An independent mediation agency, the Federal Mediation and Conciliation Service, has been created. Fortunately, the Congress gave the Service no powers beyond those within the broad sphere of persuasion and it did not attempt to define how persuasion is to be exercised. But there is one exception. In a section, <sup>1</sup> obscured by the passage of time, the Act provides:

"If the Director is not able to bring the parties to agreement by conciliation within a reasonable time, he shall seek to induce the parties voluntarily to seek other means of settling the dispute without resort to strike, lock-out, or other coercion, <u>including submission</u> to the employees in the bargaining unit of the employer's last offer of settlement for approval or rejection in a <u>secret ballot...</u>" (Underscoring supplied.)

The reasons for the one piece of advice contained in the underscored words are not hard to find in the legislative history. There was a notion, then held by many people, that union members were more reasonable and less militant than union leaders. It was a related belief that employer offers, not acceptable to union leadership, would be approved by the membership if the members could be protected from coercion by the secrecy of the ballot box.

Shift the time to August 1967--twenty years later. The place is a meeting room at some one of the seventy-five Federal Mediation and Conciliation Service offices. It is 6:00 a.m. After a full

-1-

day and night of continuous meetings, culminating weeks of hard bargaining, company and union negotiators have concluded a tentative agreement. All the negotiators are weary but happy. Each man in the room believes that a good bargain has been achieved, averting a strike. A membership meeting is scheduled. The union committee members get a few hours of needed sleep, go to the meeting and recommend acceptance. By secret ballot, the members reject. The vote is not even close. It is three to one against the agreement.

This August 1967 scene, or various modifications of it, occurred in 1,937 known instances within a two-year period--July 1, 1965, through June 30, 1967.

The Congress recognized that employer offers might be voted down. If this paper should be directed to analysis of employee rejections of company proposals it would not be significant. The importance of the subject is that most of the 1,937 instances within a two-year period reflect membership repudiation of the achievements of their own elected leaders.

## II. BACKGROUND AND LIMITATIONS OF FEDERAL MEDIATION AND CONCILIATION SERVICE STUDY

The simple fact that a tentative agreement must be ratified implies that it may be rejected. Known instances of rejection go back almost as far as the history of collective bargaining. However, rejections were relatively rare--so infrequent that they escaped general attention.

The Federal Mediation and Conciliation Service is not a statistical agency. Facts that we compile are intended primarily as operational aids to job performance. However, reports from mediators working in a wide variety of disputes in the fifty States do furnish qualitative appraisal of collective bargaining trends.

By early 1962, mediator reports indicated a sharp upsurge of membership rejections. In May 1962, in response to questions by a newspaper reporter, I listed increasing membership rejections as one of several recent trends.<sup>2</sup>

Shortly thereafter, we began to accumulate simple statistical data. The method was to insert one question in the mediator's final report form. An "x" was to be placed in a box if one or more rejections had occurred prior to a final contract. The initial results were surprisingly high. We found that instructions had not been clear-cut. The totals included some rejections of employer offers along with rejections of bona fide tentative agreements. Instructions were then clarified. As will be discussed hereafter, it is not a simple matter to define a bona fide tentative agreement. In any event, the intent after clarification was to record only membership repudiation of an agreement reached at the bargaining table.

Much of the statistical data discussed hereafter is derived from computer analysis of these final report forms submitted by mediators, concentrating primarily on the two-year period--July 1, 1965, through June 30, 1967.

-3-

Since these final reports record only the fact of a rejection, the data are quite inadequate for qualitative analysis. Accordingly, early in August 1967, questionnaires were prepared and sent to all mediators. A copy of the questionnaire is shown as Appendix A. For each specific case in the two-year period in which the mediator had participated actively, he was asked to complete a questionnaire. Returns were reasonably complete, covering about 80 percent of the cases recorded originally. The "drop-out" of 20 percent of total cases is accounted for by several factors. Death or retirement of a few mediators eliminated some returns. Where a mediator had been transferred to a new location, no attempt was made to secure access to the case records left behind in the prior office. In a few instances, mediators were so heavily involved with current cases that they were unable to complete the questionnaires in the time allowed. We believe the 80 percent sample is representative.

The limitations of this study should be noted briefly.

The first and perhaps most important limitation is that the study is confined to what the Service characterizes as an "active" or "joint meeting" case. This is a dispute in which the mediator is involved by actual physical presence at the bargaining table, normally as the chairman of the meetings after an impasse has been reached or is indicated. Such cases, in total, vary each year within a 7000-8000 range.

-4-

The study does not include between 12,000 and 14,000 additional cases each year that are assigned to a mediator. These so-called "inactive" or "non-joint meeting" cases frequently involve a considerable amount of informal work by the mediator separately with the parties. But they are cases where it is unnecessary to be at the negotiation meetings. They also include many cases where direct negotiations are successful without any intercession by third parties except for simple inquiry as to progress.

The study also does not include an even larger number of cases too small to warrant mediator assignment due to staff limitations and cases handled by State or local mediation agencies.

The study does not include airline or railroad cases within the jurisdiction of the National Mediation Board.

The study includes only a very limited number of grievance disputes. It is confined almost solely to labor contract renegotiation or reopening and initial contracts.

Thus the limitation to "active" cases within Federal Mediation and Conciliation Service jurisdiction means, as a practical matter, that we are concerned here with the most difficult and troublesome negotiations where membership rejection is most likely to occur.

No facts are available as to the incidence or causes of membership rejections, if any, in the large area of negotiations outside the "active" case category. It is certain that the percentage figures of this report are very substantially higher than would obtain if a

-5-

complete analysis could be made of all collective bargaining negotiations in the United States during the same period of time.

However, within what may be characterized as the "trouble" areas of collective bargaining, the study is reasonably complete. Federal Mediation and Conciliation Service strike statistics, also compiled on this same "active" case basis, include more than 80 percent of all strike time losses in all industries in the United States, as compiled independently on an over-all basis by the Bureau of Labor Statistics.

Another limitation, present in all studies involving some subjective appraisal, is possible human error. This is minimized in this instance by the normal intimate knowledge of the details that are available to a mediator in a manner not present in ordinary interview procedures. Since more than 200 mediators participated in the study, individual differences of appraisal tend to cancel out.

#### III. THE FACTS

The basic facts disclosed by the Federal Mediation and Conciliation Service study will be outlined as briefly as possible. In some instances, detailed tables attached to this report will supplement the text.

> A. Nationwide Incidence and Trends--Joint-Meeting Cases

For this purpose only, data are available for four fiscal years. In all instances the Federal Government fiscal year (July 1 to June 30) is the basis of reference.

-6-

Rejection
Percentage
8.7
10.0
11.7
14.2

Since revised and clarified instructions prevailed throughout this four-year period, it is apparent that rejections have been a consistent problem and that the trend has been upward. In the last fiscal year (July 1, 1966, through June 30, 1967) at least one rejection occurred in one out of every seven joint-meeting cases.

As noted earlier, it is most important to remember that these are the difficult cases. If data were available for all negotiations, the percentages would be very much lower.

#### B. Rejections by Months

Table I shows the same data by months. For this purpose only, the months of July, August and September 1967 have been added.

It will be noted that there is no real seasonal trend.

There is a discernible "hump" beginning in June 1966 and continuing into December 1966. This was a period when upward pressures on wages due to cost-of-living increases and other factors were especially pronounced.

Although not included in these data, because the case is outside Federal Mediation and Conciliation Service jurisdiction, it may be noted that the very widely publicized rejection by the membership of the International Association of Machinists of the so-called "White House" tentative settlement of the airline mechanics' strike occurred after the peak of this "hump." It would not appear that this one case was a strong causal factor in the rejection problem, as some writers have suggested.

C. Regional and Locality Facts and Trends

Table I discloses percentage data (regional totals) within the areas of the seven Federal Mediation and Conciliation Service regional offices.

It will be noted that the Southern States (Atlanta region and part of the St. Louis region) have recorded rejections somewhat lower than the national average. The Cleveland region (Michigan and Ohio) also was below the national average. On the other hand, the San Francisco and Philadelphia regions recorded rejections above the national average.

Additional data were compiled for each area served by each FMCS office (some seventy-five areas). Variations by smaller areas were substantial but are not presented here because the study cannot attempt to ascribe causal factors to these variations. In a few instances, there is some indication that the rejection notion tends to become epidemic in a localith.

It is clear that rejections are widespread, geographically. Regional or area differences are not very significant.

D. Rejections by Type of Case

"Active" cases within the Federal Mediation and Conciliation Service sample include contract renewals, contract reopenings within the basic contract term (normally for wages only), initial contracts after NLRB certification or direct recognition, and a few grievance situations.

-8-

The facts as to these types of cases are shown in Table III.

It will be noted that renewals and reopenings constitute 90 percent of the total sample and that the rejection percentage for these cases for the two years combined (14.3 percent) is almost double the percentage found for initial contracts.

## E. Rejections by Duration of Bargaining Relationship

Mediators were asked in the questionnaire to check the approximate duration of the bargaining relationship. Answers were not expected on a precise basis and were tabulated within five-year ranges. As respects this item, a total of 1,520 cases of rejection was reported. Since no data are available as respects duration of the bargaining relationship in active cases where no rejection occurred, it is possible only to report the spread within these 1,520 cases. Table IV records the data.

No conclusions of consequence can be drawn from this information except that a bargaining relationship of some years is no necessary protection against contract rejection.

F. Rejections by Size of Bargaining Units

Does the size of the bargaining unit have any bearing on the rejection problem?

In an attempt to answer this question, computer data are available both for all active cases and for the cases where rejections occurred. Table V shows the data.

-9-

Looking at the two-year totals, the highest above-average percentage rejections occurred in the 500-999 and 100-499 employee bargaining units. The even larger units (1000 and more employees) were also above average. Only the small units (1 to 49 employees) pulled down the average. However, the differences are too small to suggest anything very conclusive.

The rejection problem is a pervasive one--prevalent in bargaining units of all sizes.

G. Rejections--Strike or No Strike

It is a fairly common but erroneous notion that settlement rejections are almost always associated with strikes.

Table VI shows the breakdown between no-strike and strike cases.

For the two-year period, 61.7 percent of the rejection cases occurred in cases where no strike developed. The membership rejected a tentative settlement but did not strike and subsequently accepted either the same or a modified settlement. In fact, this occurred in 10.6 percent of all the "active" no-strike cases.

However, one or more rejections did occur in 19.8 percent (one out of five) of all the Federal Mediation and Conciliation Service "active" strike cases.

The mediator questionnaire was used to secure additional information as to when the rejection occurred in the strike cases. Reports are available for only 619 out of the total of 741 strike rejection cases. The data are:

Strike Cases Involving Rejections

	Number of Cases	Percentage of Total
One or more rejections before strike	420	68%
One or more rejections <u>both</u> before and after strike	87	14%
One or more rejections after strike only	_112	_18%
Totals	619	100%

Combining the first two categories, it is obvious that there would havebeen 507 fewer strikes over the two-year period if the membership had accepted the settlements reached by their own negotiators.

In the remaining 112 cases, the strikes were prolonged by the fact of membership rejection.

## H. Multiple Rejections

Data from the questionnaires as to number of rejections in the same case are available as respects 1,563 cases.

		Number of Cases	Percentage of Total
One rejection		1,236	79%
Two rejections		251	16%
Three rejections		62	4%
Four or more rejections		14	1%
	Totals	1,563	100%

## I. Rejections by Advent of Mediation

The questionnaire also provides data as to when the membership rejections occurred with relationship to the time the mediator entered the conferences.

	Number of Cases	Percentage of Total
Rejections before mediator entered case	486	31%
Multiple rejections (both before and after mediator entered case)	117	77.
Rejections after mediator entered case	960	62%
Totals	1,563	100%

In the first category (486 cases) the parties were negotiating directly and were reporting "no problems" to the mediator when he inquired about progress. The mediator was called in after at least one membership rejection had occurred.

In the secong group (117 cases), the mediator was called in after the first rejection. The same or a modified settlement was negotiated with the mediator present and was again "shot down" by the membership at least once.

In the largest group (960 cases), a settlement reached with mediator assistance was rejected at least once. The parties and the mediator went back to the bargaining table and the same or a modified settlement was accepted subsequently.

-12-

#### J. Rejections--Unions Involved

Computer data are available indicating the identity of the unions involved in all of the total of 1,937 rejection cases during the two-year period.

Identity of the unions will not be disclosed here. No good purpose would be served by labeling specific unions as having either a good or bad rejection record. In any event, the data available here might be quite unfair, plus or minus, depending on facts outside the reach of this study.

To illustrate, let us assume that Union X has settled 80 percent of all its contract cases, nationwide, during this period by direct negotiation without mediation and with no membership rejections. Mediators have been active in the remaining 20 percent of the cases (the most difficult ones) and rejections have occurred in 15 percent of those mediated cases. It's real, over-all record would be only 3 percent rejections but this FMCS study would show 15 percent. On the other hand, let us assume that Union Y has settled 40 percent of its cases, nationwide, by direct negotiation without mediation and with no membership rejections. Mediators have been active in the remaining 60 percent of the cases with a rejection rate of 10 percent. Union Y's real, over-all record would be 6 percent rejections but this FMCS study would show 10 percent. Union X would actually have a better over-all record but Union Y would appear to be better by this study. Facts not available to us as to total numbers of contracts

-13-

negotiated and rejections, if any, in cases not involving mediator participation would be necessary to present a true total picture.

Without disclosing identity of the unions involved, certain facts can be noted.

During the two-year period, seven different unions were parties to negotiations in active mediation cases, each union in 400 or more specific cases. The rejection percentages were 16.6, 15.6, 14.8, 14.0, 11.9, 9.6, and 6.4.

Twenty-six additional unions were involved in active mediation cases in the range of more than 100 cases but less than 400 cases. Of these twenty-six unions:

> 6 had rejection rates from 15% to 19.4% 15 had rejection rates from 10% to 14.9% 5 had rejection rates from 7.4% to 9.9% None had rejection rates of less than 7.4%

Thus, the rejection percentages in active mediation cases for thirty-three of the largest unions in the country ranged from 6.4 percent to 19.4 percent.

The lowest rejection percentage of any of fifty-three specifically identified unions involved in the total of 15,029 active cases during the two-year period was 2.4 percent. Additional unions, beyond the fifty-three identified, were not analyzed because only a limited number of instances of active mediation were recorded.

The obvious conclusion is that the rejection problem is widespread. Few unions of any size can claim complete immunity even though many unions do not have a constitutional requirement that agreements must be submitted to the membership for ratification.

-14-

#### IV. CAUSES OF REJECTIONS

The primary purpose of the mediator questionnaire was to attempt to probe behind the fact of a rejection to determine the causes.

It is quite obvious that subjective judgments are involved. The possibility of error is evident. Moreover, even though a mediator is in an unusually advantageous position to make such judgments, **#11** the facts are not always available.

Despite these limitations, the composite appraisal by some 250 mediators of this large a sample should be of substantial value.

Examination of the questionnaire will show that causes are broken down into two groups: background causes and ratification procedure causes.

## A. Background Causes vs. Ratification Procedure Causes

The attempt to distinguish between background causes (basic reasons for negative votes) and ratification procedure causes (procedural defects after tentative settlement but before and during ratification) is difficult. However, it is worth the effort, even though "Monday morning quarterbacking" is involved.

As indicated in the questionnaire, the mediators were asked to check this threshold question, either by singling out one type of cause as clearly dominant or by indicating priority if both types

-15-

were present. The results, in a total of 1,520 cases, were:

	Number of Cases	Percentage of Total
Background causes only	816	53.7%
Both background and ratification procedure causes		
- Background causes primary	211	13.9%
- No priority	313	20.6%
- Ratification procedure primary	70	4.6%
Ratification procedure only	110	7.2%
Totals	1,520	100.0%

A simpler grouping would be:

	Number of Cases	Percentage of Total
Background causes (sole or primary)	1,027	67.6%
No priority	313	20.6%
Ratification procedure causes (sole or primary)		_11.8%
Totals	1,520	100.0%

Put in other words, the mediators believe that rejection would have occurred anyway in roughly two-thirds of the cases even if all ratification procedures had been adequate. In only about 12 percent of the cases would ratification have occurred if procedures had been adequate. In one-fifth of the cases, no such judgment was exercised.

## B. Background Causes

The background causes noted specifically in the questionnaire were checked for approximately 1,520 cases. Because two or more items were checked in many instances, the totals exceed the number of cases. The frequency listing, in totals, is:

		umber
	or	Cases
Effects of other agreements reached elsewhere		425
Politics within the union		310
Dissatisfaction of skilled workers over agreement		307
Leaders hadn't understood real feeling of membersh	ip	286
Dissatisfaction of other groups (excluding skilled workers)		236
Reaction of membership to prior company policies		184
Leaders had made excessive promises		166
Leaders hadn't kept members informed during negotiations		68
Failure to resolve local issues in national negotiations		16
Others	-	245
Total	2	2,243

It will be noted that a general feeling that employees at the plant in question had been "short-changed" by reference to agreements reached elsewhere leads the list. This can be a belief that the agreement is inferior to some real or alleged industry or general "pattern" or simply a comparison with some one other agreement.

-17-

Whether this belief is founded on solid facts or on hearsay or misleading information may not be material to the fact that it is a cause. In view of the somewhat general tendency, in the press and elsewhere, to emphasize the effects of pattern bargaining and to talk loosely and frequently carelessly of the facts of per year percentage improvements, it is significant that this is a dominant factor in less than 30 percent of all the cases.

Politics within the union is the second listed cause. In a sizeable number of situations, the union leadership handling the negotiations was elected by a narrow majority. The strong minority group may have opposed the agreement primarily because it was negotiated by the opposition. Or, a quantitatively weak but very vocal minority may rally enough support from others who are dissatisfied for other reasons to promote a negative ratification vote. In view of the inherently political nature of union leadership, it is not entirely surprising that this cause is rated so high. It is equally apparent that if this is a basic cause of rejection in as many as 20 percent of the total cases, union politics is a formidable problem.

The next three causes (dissatisfaction of skilled workers, leaders hadn't understood real feelings of the membership, and dissatisfaction of other groups) will be discussed jointly. The frequency totals happen to be very close (307, 286 and 236 respectively). However, the basic reason for joint consideration is that all three causes illustrate a central feature of collective bargaining.

-18-

Except for the sophisticated, there is inadequate recognition of the fact that most unions, industrial unions in particular, do not represent a homogeneous group on many subjects. A union must attempt to reconcile these internal differences. A company must consider the same problems.

Skilled workers have long been restive because of real or alleged narrowing of wage differentials within the work force over a period of years. Especially during the last four years, outsize wage increases of building tradesmen in many areas have created an even more significant source of discontent.

In most instances, there are other special interest groups within a union. Small or large groups within specific classifications claim intra-plant inequities. Female employees frequently claim long-standing differentials based on sex alone, and the Equal Employment Opportunity Act has accentuated such claims. For similar reasons, racial minorities may present special wage demands.

The fact that the work force at many plants is now composed of an increasing percentage of young, low-seniority employees creates sharp differences as to how a total economic package is to be divided between cash wages and security fringes (pensions, etc.).

When seniority is an issue, it is immeasurably complicated by new legal developments and new urgent pressures related to race, sex and age distribution of the work force.

-19-

All these factors have always been present to some degree. They are accentuated sharply by events of relatively recent vintage.

As evidenced by the mediator reactions, it would appear that many unions and companies have not adequately "read" these strong and diverse interests of the work force.

The "something for everybody" answer to this problem may be expensive. Perhaps more important, if the degree of response to any one interest group is too great, others may be alienated and not appeased by what they consider to be only token recognition of their problems.

Reaction of membership to prior company policies is a generalized description of a common problem. In some instances, it may be a sort of amorphous distrust of management that is extremely hard to "pinpoint" but that develops out of day-by-day relationships. More commonly, it is evidenced by an inadequate and overloaded grievance procedure. Increasing disillusionment with arbitration as the terminal point of the grievance procedure is evident, due primarily to excessive delay and real or alleged excessive costs. In a very sizeable number of cases during this two-year period, membership rejections and strikes have been almost entirely non-economic. This somewhat intangible generalized dissatisfaction with day-by-day relationships in the plant is the root cause. Much of the rapidly growing "preventive mediation" program of the Federal Mediation and Conciliation Service is directed to these difficult problems.

-20-

It will be a surprise to many that excessive promises made by union leadership rank so far down on this list. Higher levels of education, more maturity of the bargaining relationships, and generally greater sophistication probably make workers quite aware of a likely sizeable spread between publicized demands and the attainable. Nevertheless, this cause continues to be important to the extent that union leadership does not always prepare the membership for realizable gains.

The degree of secrecy that often necessarily prevails in crisis bargaining amplifies the problem just discussed. If the gap between the last known union demands and the settlement that emerges at the eleventh hour out of a smoke-filled room is too great, the immediate membership reaction may be more emotionally than rationally negative.

The extremely low ranking of failure to resolve local issues in national negotiations is surprising. The answer probably is that local issue negotiations in most cases are separated from national bargaining both by georgraphy and by time. When a plant strike or a rejection of a local supplement occurs, as happens frequently, it is usually recorded in Federal Mediation and Conciliation Service statistics as a separate case.

A great variety of factors were observed by the mediators under the heading "other" causes. Both time and word limitations for this paper prevent complete analysis, but several important items should be noted.

-21-

A common cause is one already discussed--the advent of a young work force--but with a somewhat different "twist." Many younger workers who have grown up in a period of relative affluence have never experienced either a real depression or the early history of union struggles. Moreover, they are not very interested in attempts to acquaint them with these hard facts of earlier years. Many have never experienced a strike of any duration. When these facts are coupled with what may be loosely described as the current disillusionment of youth in other areas of activity, negative ratification votes are not surprising.

Another common cause during the period of this survey is the relative ease of securing other full-time or part-time work during a strike. This is expecially true of skilled workers in construction industry disputes. It is not at all uncommon for most construction workers in a local strike situation to secure work elsewhere and simply "wait out" a higher settlement. In many instances, the skilled workers do not even have to leave town. They shift to work for large, nation-wide contractors who have sizeable jobs in the area not involved in the strike.

A cause frequently cited by union leadership may be called the "Landrum-Griffin syndrome." There is no doubt but that an effect of the Landrum-Griffin Act has been to weaken the power of union leadership and emphasize the rights of the individual. That was the intent. Perhaps of equal importance, the McClellan hearings

-22-

that preceded the Act tended to disparage union leadership unfairly. Any development that weakens the effectiveness of union leadership has some inevitable tendency to make membership ratification less likely. On the other hand, it must be stated candidly that Landrum-Griffin has been cited in some instances in which it is more of an excuse than a reason.

This review of background causes is not presumed to be complete. It does cover the principal points disclosed in the FMCS survey.

### C. Causes By Types of Issues

The questionnaire explores the causes of rejection by types of issues. In most instances, the mediator will have a sound basis for appraisal. He has entered the case after a rejection or he goes back to the bargaining table with the parties after a rejection. When a rejection is based in large part on the content of the settlement package, a major part of the subsequent discussion is confined to the specific parts of the proposed agreement found most unacceptable by employees.

To range against this information, we have available, under the same generalized headings, the major issues discussed in the presence of the mediator for all active cases. The data for fiscal years 1966 and 1967 combined are shown below. The totals, both of types of issues reported and of percentages exceed the numbers of cases and 100 percent respectively because two or more types of issues were reported in many cases.

-23-

Types of Issue	Major Causes of Membership Rejec- tionBy Type of Issue			Major Issues Discussed with Mediator in All Active Case Negotiations		
	Number of Times Reported	Percentage of Cases	Rank	Number of Times Reported	Percentage of Cases	Rank
Wages Pensions,	1311	84%	1	14,171	94%	1
Insurance, Welfare Vacations,	260	17%	2	9,418	63%	3
Holidays Duration of	196	13%	3	9,448	63%	2
Contract Hours and	188	12%	4	8,872	59%	4
Overtime Working Condi-	100	6%	5	4,527	30%	5
tions Guarantees Job Classifica-	91 90	6% 6%	6 7	3,092 3,021	21% 20%	8 10
tion	87	6%	8	3,795	25%	6
Union Security	63	4%	9	3,091	21%	9
Seniority Management	50	3%	10	3,445	23%	7
Prerogatives Grievance Pro- cedure and	41	3%	11	2,466	16%	12
Arbitration	25	2%	12	2,651	18%	11
Other Totals	2502			<u>1,075</u> 69,072	7%	13
Total Cases Reported	1560			15,029		
Average Per Case	1.6			4.6		

It should be noted that within each of these twelve groups of

issues there may be a variety or multiplicity of specific issues. For example, wages may be limited to the general wage increase or to skilled trades rates. Both may be important factors.