

The first observation is that basic issue causes of rejection are substantially fewer than the important issues present prior to the tentative agreement. A membership rejection does fulfill a function of narrowing the issues even if the tentative settlement does not produce the intended final agreement.

The second major observation is that some aspect of the wage problem ranks far in the lead among causes of rejection. This is not unexpected. Indeed, it might well be maintained that it is quite significant to discover that wages were not a factor in 16 percent of the total rejections.

When we look at the other causes, there is room for speculation but it cannot be very profound. The relative rankings may be more significant than the raw numbers. Even on that basis, it is difficult to discover facts that add or subtract very much from the "Background Cause" discussion earlier in this paper.

D. Ratification Procedure Causes

A recent comprehensive and excellent analysis entitled "Union Constitutions and Collective Bargaining Procedures"³ by Herbert J. Lahne develops union constitutional requirements regarding ratification. No attempt will be made to summarize that report here. I would comment only, as Lahne observes, that in a sizeable number of situations, tentative agreements are submitted to the membership for ratification even though the union constitution makes no such requirement. In fact, numerous rejections appear in this Federal Mediation and Conciliation Service study involving unions referred to above.

In some instances, actual practice of a union is not uniform in all parts of the United States. Moreover, even at the same plant or in the same area, some unions have varied their practices from time to time.

Likewise, no attempt will be made to summarize here an excellent as yet unpublished paper entitled "Problems of Ratification,"⁴ prepared by Clyde W. Summers in connection with a series of seminar meetings held in late 1965 and in 1966 sponsored by the American Arbitration Association.

Both of these papers should be read for full understanding of the procedural aspects of the ratification problem. This report will be limited largely to mediator observations of the nature of the problem.

Mediators checked one or more procedural reasons for rejection, limited to those cases in which procedural problems were considered to be important. For these reasons, the totals shown below are to be looked at primarily for appraisal of relative importance. The data are:

	<u>Frequency</u> <u>(Number of Cases Checked)</u>
Leaders failed to actually recommend agreement	454
Type of vote	197
Time lapse between agreement and vote	177
Terms disclosure	176
Type of meeting	143

The first seemingly ominous observation is that in 454 instances (almost 30%) of the total of 1520 rejections covered by the questionnaire, the mediators believe that leaders did not actually recommend their own settlement.

To determine whether this is as serious as appears, it is necessary first to develop a point noted in page 3. What is a bona fide tentative agreement? And secondly, what criteria did the mediators use to implement the important words "actually recommend"?

Throughout the last four fiscal years, the instructions to mediators for completing the final reports for all active cases read:

"Tentative Settlement Rejected - When the parties arrive at one or more tentative settlements which are later rejected by the union membership place an 'X' in the appropriate space. These are situations in which the union negotiators and the company negotiators agree on terms of settlement and the union negotiators take the agreement back to the union membership for ratification but it is rejected. Only include union membership rejections of agreements actually made between the bargaining committees."

These instructions, detailed examinations of explanations recorded in the questionnaires and personal conversations with mediators show that a range of types of rejections are included in this study.

We will begin with submissions to the membership that should not be reported as rejections. They include:

1. A union committee agrees to submit a company offer to the membership. However, it is clear that it is not a tentative agreement and it is equally clear that the committee will officially recommend rejection.

2. The situation is the same as noted above except that some members of the committee (a minority) indicate that they may recommend favorably or, at least, will not oppose the company offer.

For obvious reasons, these are not tentative agreements.

Negative membership votes that are recorded as rejections include a spectrum of situations. The range of the spectrum can be illustrated by the following examples:

1. The union negotiating committee agrees unanimously to recommend favorably. It is reasonably certain that the recommendation will be enthusiastic, forceful and without qualification.
2. The union spokesman states that the committee will recommend favorably, but there is reason to believe that this is a committee majority decision and that some minority members may recommend negatively or otherwise work against the agreement.
3. The union spokesman states that the tentative agreement is acceptable to the committee if the membership approves. It is stated further that the proposal will be presented as the best agreement available at the time. The committee states that it will make no recommendation to the membership as to acceptance or rejection.

There are many gradations in this spectrum. At one end of the band, the union committee accepts full and complete responsibility

for the tentative agreement and there is every reason to believe that every member will work actively for membership acceptance. At the other end, the committee accepts only a limited or majority responsibility for the agreement and "passes the buck" to the membership for an answer.

It should be apparent that there is no "clean" line of demarcation between the most hopeful type of company offer that should not be recorded as a rejection for purposes of this study and the weakest type of tentative agreement that is recorded as a rejection.

Up to this point, the discussion has been limited to statements made and attitudes discerned at the bargaining table, normally at the conclusion of the negotiation sessions.

The next problem is what might be called "slippage." It is a fact that attitudes and actions sometimes change between the time the tentative agreement is reached and the time the membership vote is taken.

At one relatively rare extreme, individuals or even entire committees, committed to recommend favorably, actually recommend negatively. Somewhat more frequently, a favorably recommendation is so weak, substantively, that it is equivalent to no recommendation or even to a negative recommendation. There are reasons to believe, in some cases, that an individual may comply fully with all the overt forums of a favorable recommendation, but that he does some "behind the scenes" work in the opposite direction. Finally, within the "did not actually recommend" category are a fairly sizeable

number of instances where the really intended favorably recommendation was inept or inadequate.

How did the mediators make these difficult judgments. In almost all instances, they were not at the membership meetings. They had to rely primarily on circumstantial evidence and even on "hunches." It is even possible that some of the mediators, too, were looking for a "scapegoat." Having participated actively in the tentative settlement, it is painful to experience the fact of a rejection.

Mediators were also asked to answer a question reading: "Was the rejection of the tentative agreement a tactical maneuver on the part of the union?" There is some obvious possible correlation between this question and the "actually recommend" inquiry.

Replies to this tactical maneuver question were 75 percent "no" and 25 percent "yes." However, when the "yes" answers were compared with the "did not actually recommend" answers in the same cases, the results were at least interesting. In only half of the tactical maneuver cases was there any belief that the leaders did not actually recommend.

This seeming inconsistency is not readily explained. Did the mediators make a distinction between "the union" and "the leaders"? In many instances, notations on the questionnaires so indicate. The "tactical maneuver" was ascribed to groups or factions in the union not represented by a majority on the committee.

Consideration of the various factors discussed so far under procedural causes leads us to a conclusion that the "raw data" on membership rejections may be somewhat inflated. The basic distinction between a company offer and a bona fide tentative agreement is not and never can be made crystal clear. Mediator judgment may be faulty. We estimate that the rejection totals may be inflated by as much as 5 percent. If this is the case, the percentages of rejections (page 7) should be reduced by amounts ranging from 0.4 percent (fiscal 1964) to 0.7 percent (fiscal 1967).

We have not adjusted any of the data. The basic problem is not affected seriously by these probable errors and the upward trend is not altered.

It should be noted, however, that this possible inflation casts serious doubts on any conclusion that as many as 30 percent of the rejections were accompanied by valid "did not actually recommend" appraisal of the acts of union leadership.

We will turn now to other procedural causes of rejections.

The type of vote is considered to be an important procedural factor in 197 instances (13% of the rejection cases). This means that in these situations, the best guess is that a secret ballot might have produced an affirmative vote in contrast to the negative answer, secured by a voice vote or a standing vote. In many instances, the circumstances surrounding the voice or standing vote were considered unfavorable to a rational conclusion. We do not pretend any necessary accuracy to this over-all opinion. It is not

susceptible to proof. It could even be argued that some voice or standing votes produced membership acceptance where a secret ballot would have been negative. However, it is reasonable to conclude that a secret ballot is preferable.

Beyond recording the mediator opinion that time lapse between a tentative settlement and the actual vote was a factor in 177 instances, few generalizations can be made. In some situations it is quite clear that the vote was too soon. The membership had inadequate time to understand and appraise the proposal. Union leadership had inadequate time to "sell it." At the other extreme, the time period was too long. It permitted a dissident hard working group, often a minority faction, to rally a negative vote. The "best" time lapse can be appraised only in the light of all the facts of a specific situation.

Terms disclosure refers primarily to the choice of publicizing the terms of the agreement prior to the membership meeting or holding the terms confidential for disclosure at the meeting. Such a choice is not realistically open for extremely large bargaining units, especially in multi-plant bargaining. It is a realistic choice for most of the medium-size and smaller bargaining units.

There are few generalizations that can be made on this point. The answer depends in part on the traditions in the situations involved. It may be related to the type of membership meeting to be held and the type of vote to be taken.

When terms are disclosed, the method may be very important. Inaccurate or poorly written newspaper accounts, planned or "leaked,"

have been responsible for some rejections. Company attempts to inform workers sometimes produce negative reactions, but this is not always the case.

One of the very substantial problems, as labor agreements have become more complicated, is that the totality of the terms becomes difficult to digest.

The major point to be made here is that it is important for the parties to have a clear understanding at the time of tentative agreement as to whether, when and how the terms are to be disclosed.

Type of meeting (if the vote is to be conducted at or after a meeting) may be very important. Mediators believe that a total of 143 negative votes were influenced very substantially by the type of meeting held.

As a general proposition, a meeting attended by the maximum possible percentage of the members is most likely to produce a rational vote. There appears to exist an unfortunate but understandable tendency for the satisfied or neutral member to stay home and for the unhappy member to attend and bring his friends. For this reason, an increasing number of companies have been willing, when so requested by the union, to permit so-called "stop work" meetings on company time for explanation of the agreement and the vote.

V. REJECTION BACKLASH

As membership rejections have increased, non-statistical but significant related effects have been observed by mediators.

Fear of a rejection may make union leadership less ready to reach a tentative agreement.

On the other side, fear of a rejection sometimes impels management to "hold something back."

There is not much doubt but that some strikes have occurred that were not rationally necessary, either because of union fears or company fears, or both. In this connection, it is very important to attempt to distinguish between "necessary strikes" and "unnecessary strikes."

If it is a fact, as it appears to be in many situations, that union membership is unwilling to accept the reasonably attainable results of negotiation and is more militant than responsible leadership, a strike may be necessary to drive home the "facts of life." This is a painful but sometimes inevitable aspect of collective bargaining. In such cases, the membership rejection problem is simply one manifestation of a function of the strike.

But if the membership rejection problem simply makes union leadership timid or unwilling to accept responsibility, and if it prompts management to offer less than it knows it must, the result can be a strike based almost solely on fear and that is really unnecessary.

Another potentially dangerous "backlash" from the rejection problem is fortunately very rare, but it does exist. I am referring

to a situation where there may be informal collusion between union leadership and management to deliberately design a "tentative settlement" for certain membership rejection. The intent is to "get the rejection out of the way" and then proceed to serious bargaining. Any such development breeds more rejections and complicates future bargaining between the same parties.

A variant of this strategy is a company final offer not accepted by the union and not labeled as a "tentative settlement" but that is certain to be rejected. This is more defensible but it may jeopardize a company's collective bargaining future.

VI. MONETARY DIFFERENCES--FINAL AGREEMENT vs.
REJECTED AGREEMENT

For all rejection cases, mediators were asked to note the money cost difference, if any, between the final agreement and the rejected agreement (first rejection in multiple rejection cases). The data are:

	<u>Number of Cases</u>	<u>Percentage of Total</u>
Original agreement accepted later without change	209	14%
Package rearranged in some one or more particulars at no additional cost	300	19%
Minor addition (less than one cent per hour per year)	<u>212</u>	<u>14%</u>
Sub-total	721	47%
Addition of one cent per hour per year or more	<u>822</u>	<u>53%</u>
Totals	1543	100%

The first three groups (47 percent of the total) can properly be discussed jointly as cases in which no appreciable monetary gain was secured by employees that could be traced, directly or indirectly, to the fact of a rejection. This is literally true in 33 percent of the cases. In the remaining 14 percent, the monetary gains were minimal.

In the remaining 53 percent of the cases, there was monetary gain, estimated by the mediators to exceed one cent per year.

Cost estimates made by the parties frequently differ on many items (pensions, etc.) even in the larger and more sophisticated bargaining relationships. At many medium- or small-sized plants where the parties are accustomed to bargain only in terms of benefits, the mediator had to estimate cost differences to answer these questions. For both reasons, no claim is made that these answers are precise.

It should also be noted that some probable inflation in these rejection totals, discussed earlier, has some significant effect on this point. In analysis of the questionnaires, we made some correlations in the cases where appreciable monetary improvement was reported with such items as whether actual recommendations were made and whether the rejection was a strategic maneuver. These correlations, together with further direct probing about specific cases, were the primary reasons for concluding that the totals are somewhat inflated.

As related to the point under discussion here, it is fairly clear that some appreciable number of cases, possibly as many as

100, were not properly recorded as rejections of bona fide tentative agreements. On this premise, the probable split between the two groups is on about a 50-50 percent basis.

The obvious relevance of these questions to the over-all rejection problem can be stated candidly: "Did the rejection pay off for employees?"

It was noted earlier (page 10 and Table VI) that no strike occurred in 61.7 percent of the total cases involving a rejection. In these cases, negotiations were prolonged but the only additional cost to the union or the employees was the additional negotiation committee costs, costs of meetings, ballots, etc.

This means, in substance, that the money improvement, if any, in these no-strike rejection cases accrued to employees at limited additional cost. The companies made the improvements, if any, to avoid a strike.

The picture is different in all the strike rejection cases. The strike occurred or was prolonged because of the rejection. Strike time losses were involved for both parties.

How much additional strike time loss was involved? One of the items in the questionnaire answers that question.

If we correlate the monetary gain data with the additional strike time loss for strike rejection cases only, the data are:

Strike Rejection Cases

<u>Monetary Change, if Any</u>	<u>Number of Cases</u>	<u>Percentage of Total</u>	<u>Additional Strike Days Lost</u>	
			<u>Mean</u>	<u>Average</u>
Original agreement accepted later without change	70	12%	(a)	(a)
Package rearranged in one or more particulars at no additional cost	106	18%	(a)	(a)
Minor additional (less than one cent per hour per year)	<u>80</u>	<u>13%</u>	<u>(a)</u>	<u>(a)</u>
Sub-totals	256	43%	10	19
Addition of one cent per hour per year or more	<u>344</u>	<u>57%</u>	13	21½
Totals	600	100%		

(a) Not computed separately--see sub-total

It will be noted that there is a substantial difference between the mean days and the average days of additional strike time. This is due to the fact that a minority of these strikes were very long but there was a cluster around the mean.

A few conclusions can be reached.

In 43 percent of the cases, the money or fringe improvements, if any, were very minor and the strike time losses were incurred or prolonged for an average of nineteen calendar days (two and one-half weeks). Few, if any, of these rejections "paid off" in any monetary way to employees. To the contrary, prolongation of the strike or the fact of a strike without subsequent improvements of consequence resulted in a net loss to employees by almost any measure of calculation.

The other 57 percent of the cases (or 50 percent if corrected in view of the preceding discussion) present a varied picture. Some of these cases involving money improvements close to one cent per hour per year and long strikes cannot be characterized as gains for employees. At the other extreme, substantial money improvements occurred after reasonably short additional strike time. No attempt has been made to analyze this variegated picture.

In all cases, a membership rejection in a strike case was a negative event for the companies involved except as it can be maintained that an unproductive strike for employees may promote future labor peace.

VII. SUGGESTED SOLUTIONS

The principal purpose of this paper is to outline the problems associated with membership rejections. The basic problem has many facets. Even as respects any one distinguishable specific problem area (type of membership meeting, to select a minor one), there is no one best solution.

For the most part, solutions must be devised by the union and company involved within the framework of a specific situation.

One generalized answer has been suggested. It is a direct approach, namely, to eliminate ratification by union membership. This method is currently in effect under some union constitutions. Or, more commonly, the ratification group is an official grouping larger than the negotiating committee but very substantially smaller than the membership. In support of this suggestion is the fact that

our political democracy is a representative democracy, not a town meeting form of government.

This suggestion deserves serious consideration. However, it is a solution that has limited utility. In the first place, union constitutional changes would be required that would be difficult to achieve. Secondly, any such solution would not eliminate the bulk of the causes of rejections. It would simply channel those dissatisfactions towards more frequent changes of union leadership with direct or implicit instructions to be "tougher" at the next negotiations. Finally, in matters that have such a direct effect on every employee, membership ratification of a proposed agreement has a strong stabilizing effect on day-by-day operations during the life of the agreement.

Since the need for membership ratification is likely to continue, major attention must be directed to solutions to the problem areas disclosed by this study.

Do unions have an educational and communication job to do with the membership? The obvious answer is "yes." Some things are being done. Much more needs to be done.

Do companies have responsibilities? Again, the obvious answer is "yes," especially as respects day-by-day relationships in the plants and structuring of agreement terms to meet employee needs.

Do mediators have any responsibilities? Not long ago, the mediator's primary and almost sole interest was in a tentative agreement. Once that agreement was reached, little or no thought was given to the union job of securing the ratification. As the

rejection problem has increased, it becomes important for the mediator and both parties to give careful attention to a possible ratification problem and to help structure the agreement and the procedures to create maximum probability of acceptance. This is not the place to outline in detail what the mediator should or should not attempt to do in this area.

VIII. CONCLUSIONS

It is time now to "accentuate the positive" and to attempt to put the rejection problem in proper perspective.

In the same "active" cases utilized as the basis for this study, union membership did accept the first "bona fide tentative settlement" in the great majority of instances. The data on page 7, reversed to show acceptances are:

<u>Fiscal Year</u>	<u>Total Joint-Meeting Cases</u>	<u>Total Cases Involving Acceptance of First Tentative Agreement</u>	<u>Acceptance Percentage</u>
1964	7,221	6,592	91.3%
1965	7,445	6,699	90.0%
1966	7,836	6,918	88.3%
1967	7,193	6,174	85.8%

A small minority of these acceptances did not require a membership vote. However, the membership did vote most of these acceptances.

Moreover, the total of all agreements negotiated would show substantially higher percentages of acceptance.

In short, serious as the rejection problem may be, it arises in a distinct minority of cases. The collective bargaining institution, including membership ratification, is continuing to perform its function.

The rejection problem is a shadow over the process. Everybody who works actively within the collective bargaining sphere has a responsibility to see to it that the shadow does not become an ominous cloud.

It should also be emphasized that the two years covered by the study were years of unusual turbulence in labor relations. After a reasonably long period of relative price stability, sharply rising living costs were creating strong pressures. Declining unemployment created more alternatives for workers. The new, younger workers had not yet become assimilated into the industrial community. We were in a war economy without the forms of control that existed in World War II and during the Korean War.

Despite all these pressures, strike losses during these two years were only 0.19 percent of time worked.

As one looks at the total picture, it may well be that the membership rejection problem, serious as it has been, has been a type of psychological "escape valve" that may have averted even more adverse manifestations.

FOOTNOTES

¹Labor Management Relations Act, 1947, Title II, Section 203(c).

²New York Times, May 16, 1962.

³Union Constitutions and Collective Bargaining Procedures. Herbert J. Lahne, Labor-Management Services Administration, U. S. Department of Labor, September 1967.

⁴Problems of Ratification. Clyde W. Summers, American Arbitration Association.

Table I

TENTATIVE SETTLEMENT REJECTIONS
BY MONTHS

Percentage of Closed "Active" Cases Which Involved Rejections

<u>FISCAL YEAR 1966</u>	TOTAL ACTIVE CASES CLOSED	CASES WITH REJECTIONS	<u>PERCENTAGE</u>
July, 1965	710	74	10.4 %
August	683	81	11.9
September	706	82	11.6
October	694	75	10.8
November	598	54	9.0
December	554	63	11.4
January, 1966	403	39	9.7
February	425	56	13.2
March	636	78	12.3
April	661	80	12.1
May	818	103	12.6
June	948	133	14.0
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Totals	7836	918	11.7 %
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<u>FISCAL YEAR 1967</u>			
July, 1966	662	128	19.3 %
August	689	123	17.9
September	590	94	15.9
October	647	94	14.5
November	565	91	16.1
December	464	62	13.4
January, 1967	415	49	11.8
February	455	51	11.2
March	526	55	10.5
April	646	80	12.4
May	707	85	12.0
June	827	107	12.9
	<hr/>	<hr/>	<hr/>
Totals	7193	1019	14.2 %
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<u>FISCAL YEAR 1968</u>			
July, 1967	633	73	11.5 %
August	693	101	14.6
September	527	73	13.8

Table II

TENTATIVE SETTLEMENT REJECTIONS
 IN FMCS REGIONS
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 PERCENTAGE OF JOINT MEETING CASES
 WHICH INVOLVED REJECTIONS

	<u>Fiscal</u> <u>1966</u>	<u>Fiscal</u> <u>1967</u>
<u>New York Region</u>	13 %	13 %
FMCS Offices in the Following Cities:		
New York City, N.Y.	Providence, R.I.	
Hempstead, L.I.	Concord, N.H.	
Newark, N.J.	Albany, N.Y.	
Boston, Mass.	Syracuse, N.Y.	
Worcester, Mass.	Buffalo, N.Y.	
Hartford, Conn.		
<u>Philadelphia Region</u>	15 %	16 %
FMCS Offices in the Following Cities:		
Philadelphia, Pa.	Harrisburg, Pa.	
Trenton, N.J.	Allentown, Pa.	
Erie, Pa.	Baltimore, Md.	
Pittsburgh, Pa.	Washington, D.C.	
Parkersburg, W. V.	Richmond, Va.	
<u>Atlanta Region</u>	9 %	11 %
FMCS Offices in the Following Cities:		
Atlanta, Ga.	Chattanooga, Tenn.	
Birmingham, Ala.	Knoxville, Tenn.	
Mobile, Ala.	Charlotte, N.C.	
New Orleans, La.	Jacksonville, Fla.	
Memphis, Tenn.	Tampa, Fla.	
Nashville, Tenn.	Miami, Fla.	
<u>Cleveland Region</u>	10 %	12 %
FMCS Offices in the Following Cities:		
Cleveland, Ohio	Louisville, Ky.	
Akron, Ohio	Detroit, Mich.	
Toledo, Ohio	Saginaw, Mich.	
Columbus, Ohio	Grand Rapids, Mich.	
Dayton, Ohio	Kalamazoo, Mich.	
Cincinnati, Ohio		

	<u>Fiscal</u> <u>1966</u>	<u>Fiscal</u> <u>1967</u>
<u>Chicago Region</u>	10 %	16 %

FMCS Offices in the Following Cities:

Chicago, Ill.	Evansville, Ind.
Peoria, Ill.	Milwaukee, Wisc.
Rockford, Ill.	Green Bay, Wisc.
South Bend, Ind.	Minneapolis, Minn.
Indianapolis, Ind.	

<u>St. Louis Region</u>	7 %	10 %
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FMCS Offices in the Following Cities:

St. Louis, Mo.	Oklahoma City, Okla.
Cedar Rapids, Iowa	Springfield, Mo.
Des Moines, Iowa	Little Rock, Ark.
Omaha, Neb.	Dallas, Texas
Kansas City, Mo.	Houston, Texas
Wichita, Kans.	

<u>San Francisco Region</u>	14 %	20 %
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FMCS Offices in the Following Cities:

San Francisco, Cal.	Spokane, Wash.
Los Angeles, Cal.	Great Falls, Mont.
San Diego, Cal.	Salt Lake City, Utah
Fresno, Cal.	Denver, Colo.
Seattle, Wash.	Phoenix, Ariz.
Portland, Oregon	Albuquerque, N. M.

Table III

TENTATIVE SETTLEMENT REJECTIONS
BY TYPE OF CASE

TYPE CASE	Fiscal 1966			Fiscal 1967			Fiscal 1966 & 1967		
	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE
Initial Contracts	1210	94	7.8	1056	83	7.9	2266	177	7.8
Reopenings	375	31	8.3	224	24	10.7	599	55	9.2
Renewals	5934	781	13.2	5647	905	16.0	11581	1686	14.6
Jur. & Recognition	3	-	-	5	-	-	8	-	-
Grievance	314	12	3.8	261	7	2.7	575	19	3.3
Totals	7836	918	11.7	7193	1019	14.2	15029	1937	12.9

Initial Contracts	2266	177	7.8
Contract Renewals & Reopenings	12180	1741	14.3
Grievances & Others	583	19	3.3
Totals	15029	1937	12.9

Table IV

TENTATIVE SETTLEMENT REJECTIONS
BY DURATION OF BARGAINING RELATIONSHIP

<u>DURATION OF BARGAINING RELATIONSHIP</u>	<u>NUMBER OF REJECTION CASES - FISCAL 1966 & 1967</u>	<u>PERCENTAGE OF TOTAL</u>
Initial contract	125	8 %
1 to 5 years	216	14
5 to 10 years	383	26
10 to 20 years	533	35
Over 20 years	213	14
Completely unknown	50	3
Totals	<u>1520</u>	<u>100 %</u>

Table V

TENTATIVE SETTLEMENT REJECTIONS
BY SIZE OF BARGAINING UNIT

WORKERS	Fiscal 1966			Fiscal 1967			Fiscal 1966 & 1967		
	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE
1000 or more	425	58	13.6	391	55	14.1	816	113	13.8
500 to 999	495	80	16.2	427	74	17.3	922	154	16.7
100 to 499	2800	355	12.7	2538	425	16.7	5338	780	14.6
50 to 99	1556	183	11.8	1410	195	13.8	2966	378	12.7
1 to 49	2560	242	9.5	2427	270	11.1	4987	512	10.3
TOTALS	<u>7836</u>	<u>918</u>	<u>11.7</u>	<u>7193</u>	<u>1019</u>	<u>14.2</u>	<u>15029</u>	<u>1937</u>	<u>12.9</u>

Table VI

TENTATIVE SETTLEMENT REJECTIONS
BY STRIKE OCCURRENCE

OCCURRENCE	Fiscal 1966			Fiscal 1967			Fiscal 1966 & 1967		
	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE	TOTAL ACTIVE CASES	TENTATIVE SETTLEMENT REJECTIONS	PERCENTAGE
Nonstrike Cases	6001	562	9.4	5292	634	12.0	11293	1196 (61.7%)	10.6
Strike Cases	1835	356	19.4	1901	385	20.3	3736	741 (38.3%)	19.8
All Cases	<u>7836</u>	<u>918</u>	<u>11.7</u>	<u>7193</u>	<u>1019</u>	<u>14.2</u>	<u>15029</u>	<u>1937 (100%)</u>	<u>12.9</u>

APPENDIX A

SPECIAL STUDY - REJECTION OF TENTATIVE AGREEMENT - JOINT MEETING CASES

Employer _____ Union _____

Location _____ No. of Employees in B.U. _____ Est. _____

Mediator _____ File No. _____

2. Mediator's Estimate of Underlying Cause of Rejection:

(Please place an "X" in the more appropriate box, if able to make judgement, or, if both were major factors, indicate priority by marking "1" and "2".)
 (Also explain the entry by checking the applicable line below, if able.)
 (If more than one explanation involved, indicate importance by numbering 1,2,3,etc.)

<input type="checkbox"/>	<u>Background Cause</u>
<u>Explanation:</u>	
<input type="checkbox"/>	Dissatisfaction of skilled workers over agreement
<input type="checkbox"/>	Dissatisfaction of other group; _____
<input type="checkbox"/>	Failure to resolve local issues in Nat'l negotiation
<input type="checkbox"/>	Effects of other agreements reached elsewhere
<input type="checkbox"/>	Politics within the union
<input type="checkbox"/>	Reaction of membership to prior company policies
<input type="checkbox"/>	Leaders had made excessive promises
<input type="checkbox"/>	Leaders hadn't understood real feeling of membership
<input type="checkbox"/>	Leaders hadn't kept members informed during negotiations
<input type="checkbox"/>	Other (Explain below)

<input type="checkbox"/>	<u>Ratification Procedure Cause</u>
<u>Explanation:</u>	
<input type="checkbox"/>	Leaders didn't actually recommend Agreement
<input type="checkbox"/>	Type of Vote (If checked, explain below:)
	Referendum _____
	Secret Ballot _____
	Show of hands _____
	Standing _____
<input type="checkbox"/>	Time Lapse Between Agr't & Vote (If checked, explain below:)
	Vote same day _____
	Lapse 1 day _____
	Lapse 2 to 3 days _____
	Lapse 3 to 7 days _____
	Lapse week or over _____
<input type="checkbox"/>	Type of Meeting (If checked, explain below:)
	Stop-Work meeting _____
	Weekend meeting _____
	Before or after Work _____
<input type="checkbox"/>	Terms Disclosure (If checked, explain below:)
	Prior to Mtg. Orally _____
	Prior to Mtg. In writing _____
	At meeting Orally _____
	At meeting In writing _____
<input type="checkbox"/>	Other (explain at left)

3. Difference Between Rejected and Final Settlements:

(Please check the blank which in your judgement is most appropriate; also indicate the number of days between rejection of the first agreement and acceptance of final agreement.)

<input type="checkbox"/>	No change; original agreement finally accepted	Elapsed time between rejection and acceptance in days: _____
<input type="checkbox"/>	Rearranged package accepted (No important addition, but may include moving benefits forward)	
<input type="checkbox"/>	Addition(a) (Example; package less that 1¢ per hr. per yr.; i.e. less that 3¢ in 3 yrs.)	
<input type="checkbox"/>	Addition(b) (Example; 1¢ to 3¢ per hr. per yr.)	
<input type="checkbox"/>	Addition(c) (Example; more than 3¢ per hr. per yr.)	
(If, not a monetary change, use judgement in recording as parallel to a,b,or c)		

4. When Rejection Occurred:

All Cases:

- Before any mediation conference
 After one or more mediation conferences
 How many times was settlement rejected?

Strike Cases:

- Before Strike
 After Strike

5. Was the rejection of the tentative agreement a tactical maneuver on the part of the union? (Check One.) Yes
 No

6. (a) Major Issue of Rejection:

- | | |
|---|--|
| <input type="checkbox"/> Wages | <input type="checkbox"/> Pensions-Insurance |
| <input type="checkbox"/> Union Security | <input type="checkbox"/> Welfare |
| <input type="checkbox"/> Seniority | <input type="checkbox"/> Management Prerogatives |
| <input type="checkbox"/> Grievance Proc.-Arb. | <input type="checkbox"/> Duration of Contract |
| <input type="checkbox"/> Guarantees | <input type="checkbox"/> Job Classification |
| <input type="checkbox"/> Vacations, Holidays | <input type="checkbox"/> Working Conditions |
| <input type="checkbox"/> Hours, Overtime | <input type="checkbox"/> Other (Cite) |

7. Mediator's Estimate of Length of Bargaining Relationship:

- | | |
|--|---|
| <input type="checkbox"/> Initial Contract | <input type="checkbox"/> 10 to 20 years of contract |
| <input type="checkbox"/> 1 to 5 years of contract | <input type="checkbox"/> Over 20 years of contract |
| <input type="checkbox"/> 5 to 10 years of contract | <input type="checkbox"/> Completely unknown |

8. Special Study Form Will Not be Completely Filled in:

- a. Mediator who wrote final report is no longer in region.
b. Case did not involve rejection; IBM must have erred.
c. Mistake was made in checking final report as a "Réjection of a Tentative Agreement."

(Item "c" will be marked by mediator, if applicable.)

(Item "a" or "b" may be marked by the regional office, if applicable, and sent directly to the National Office without forwarding to the mediator.)

Additional Information (only if necessary)

Notes:

1. This form may be filled in by hand with pen or pencil and is to be sent directly to the national office.
2. If the final report was in error in containing an "X" in the space for "Tentative Settlement Rejected," through an oversight in typing, in interpreting the report form, or for any other reason, now is the time to correct it by checking "c" above. In a case of this type, send this special form with only sections 1 and 8(c) filled in.