

"MEDIATION: HELP-MATE TO COLLECTIVE BARGAINING"

An Address by

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There are a number of reasons why it is a pleasure to be with you again today.

First of all, it's always a nice feeling when a group asks you to make a return engagement. It has been a joy to see again some of the friendly faces and nice people that I met in 1971 when I spoke to your legislative conference in Washington.

Beyond that, I have had the privilege this time to meet many more of the people who are making the National Federation of Independent Unions a growing, vibrant organization that is dedicated to helping people.

It was just ten years ago that your organization came into being with the merger of the Confederated Unions of America and the National Independent Union Council.

Obviously, you have made progress. The fact that several organizations that are not now members of the NFIU are represented here today is a testament to your good works.

And when the enthusiasm I have seen here is taken home, there is no doubt in my mind that you'll do an even better job of serving your 60,000 members.

The last time I visited you, I was serving as an Assistant Secretary of Labor. Since then, I have been granted the high honor of being made the Director of the Federal Mediation and Conciliation Service.

Like your organization, the Federal Mediation and Conciliation Service is an independent group. We are responsible only to the President for our actions, and to the Congress for our funds.

Our specific mission as servants of the people of the United States is to promote labor-management peace -- to work toward making the collective bargaining process an effective instrument that will benefit everyone . . . the worker . . . the investor . . . the community and our Nation.

There is a keen sense of pride that comes with working for the citizens of the United States. We who have that privilege know that when we work hard and do our job well, we are strengthening the best system of government that has ever existed on God's good earth.

At our agency, we consider ourselves to be aggressive peacemakers. Our rewards, when we succeed, go beyond material things. They include a unique sense of satisfaction -- a feeling that we have done something to help others.

The mediation service is a child of Congress. It was born 26 years ago, when Congress decided it would be wise to create an independent government organization that could help labor and management reach understandings with the minimum possible interruption of commerce.

It is the mission of our agency, under the law, to prevent or minimize labor-management disputes by helping the parties to settle their differences through the use of the mediation process.

We have 240 mediators working out of 78 offices located throughout the Nation. This includes a small staff of specialists in Washington.

This year we will be involved in some 20,000 dispute cases affecting -- by conservative estimates -- well over five million workers in big and little situations, in every variety of commerce and industry.

In 8,000 of those cases -- mostly the more difficult ones -- our Federal mediators will be at the bargaining table, carrying out their role as industrial relations peacemakers.

Our mediators believe in the purest form of free collective bargaining. That is, they feel that the best of all agreements is the one that is reached by the parties themselves, free from all outside interference.

But we also believe that when the parties are headed toward a dispute, they should "call the mediator."

We know that the mediation process works. Employers and unions who have had experience with our service know that mediation works.

For example, in 1972 there were more than 1,200 cases in which a strike deadline was postponed in order to give mediation a chance to help resolve differences. In four out of five of those cases, agreements were reached without strikes.

These agreements saved workers and investors uncounted millions of dollars that would have been lost in a strike. They prevented communities from being crippled by the side effects of the economic hardship that are the inevitable result of a work stoppage.

Each time there is a settlement rather than a strike, our Nation is strengthened.

Mediators know this. So they take great pride in doing their job well.

The mediator has absolutely no power to force either party to do anything. His only tool is persuasion.

The fact that we cannot compel . . . that we must honor confidences . . . that we offer no threat to the negotiating parties . . . all of these we believe are assets in our daily struggle to make reason win out over force.

You might wonder what manner of person becomes a Federal mediator.

Well, just this month we graduated a class of 17 new mediators from the school we conduct in Washington.

Seven have had extensive experience as union negotiators for such organizations as the United Steelworkers, the International Brotherhood of Electrical Workers and the Grain Millers. One had been president of a small independent labor organization, the International Association of Greeting Card Workers.

Another seven have had substantial experience in responsible positions for management. One was manager of employee relations for Emerson Electric Manufacturing Company in St. Louis. Another was personnel manager for the Washburn Wire Company in Pennsylvania.

The remaining three included a former labor relations specialist in the Civil Service Commission, an assistant professor of economics at the University of Georgia and an experienced mediator from the Pennsylvania State Bureau of Mediation.



The average age of the graduates was 38 -- making them, incidentally, the youngest class in the history of our service.

All of them, like every Federal mediator, brings to the job several years of front-line experience in labor-management relations.

And each of them will now be further trained by experienced mediators in our seven regional offices around the country before they get their wings.

In a typical case, the mediator will be called by one or both parties after an impasse has been reached.

This is the general sequence of what the mediator will do:

-- He will meet with each party independently and ask them to draw up a list of the issues.

-- He will suggest that negotiations be limited to the listed issues, and will ask for discussion from each side at a joint meeting of the parties.

-- He will then meet again with each party, probing deeper into their positions on particular issues in the hope of finding areas of flexibility.

-- He will ask the parties for alternative positions, making suggestions of his own.

-- If the mediator has succeeded up to this point, he knows that each side would rather settle than fight. From here on in, the mediator, together with the parties, try to resolve each issue until a contract agreement is reached.

Our agency's services are available to all negotiators. Several independent unions have gotten into the practice of calling the mediator.

We are now involved in a strike by some eighteen hundred members of the Marine Draftsmen's Association, an unaffiliated union, against the Electric Boat Division of the General Dynamics Corporation in Connecticut.

The draftsmen have been on strike for two months. While all strikes are important, this one carries added weight because they are involved in submarine construction.

I regret that the parties didn't call on us until they had bit the bullet. Because I am convinced that if they had, the chances were good that an agreement would have been reached without a work stoppage in this vital industry.

If there is one message that I want to leave with you folks, it is this: Call the mediator before you are deadlocked. We are here to serve you.

There are today definite signs that we are entering a new era of industrial peace. There appears to be a growing determination -- by both labor and management -- to withhold the strike and the lockout as economic weapons.

Both sides are finding that the price that must be paid through an interruption of production is far too high in today's competitive world markets.

Many of you have first-hand knowledge of this competition, particularly those of you who represent workers in the steel, electronics and watch-making industries.

This year alone we have had peaceful settlements in the rail and auto and trucking industries, in the postal service, and in the electronics industry.

With few exceptions, negotiators in the rubber, petroleum and building trades, too, have ironed out their differences without resorting to the weapons of force.

Because of a unique agreement between the United Steelworkers of America and the ten top steel producing companies, we are virtually assured of a new master contract in that vital segment of our economy next year. The two sides have announced that any issues that cannot be resolved at the bargaining table will be presented to an arbitration panel.

In the 18-month period that will end with New Year's Day of 1974, labor-management agreements will have been reached covering seven-and-a-half-million workers. That is an all-time record.

In the face of this record-breaking load, an average of only one working day out of every thousand was lost to strikes during the first six months of this year. That's the lowest rate of strike activity since 1966.

Our figures at the Federal Mediation and Conciliation Service show that of all the cases our commissioners have been involved in this year, only 11 percent ended in work stoppages. That, too, is the lowest figure since 1966.

It is my fervent hope that this winning streak will continue.

There are clear signs that a mutual respect is developing between labor and management -- that both believe their own causes will best be served through good faith, understanding and reasonableness at the negotiating table.

It is my firm belief that free collective bargaining has been the necessary ingredient in making America great -- in bringing our people the means to protect the liberties we all cherish.

The members of the National Federation of Independent Unions have a reputation of being responsible and reasonable at the collective bargaining table. I know that each of you wishes to strengthen your already fine record of accomplishment.

And I am confident that we who are dedicated to protecting and promoting the free collective bargaining system will be able to depend upon you as teammates in the challenges that lie ahead.

Our record will come in the knowledge that we have helped to preserve a process that lets mankind live in freedom -- with dignity.