JAMES A. BROWNLOW, President

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B. A. GRITTA, Sec'y-Treas.

METAL TRADES DEPARTMENT

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS GENERAL OFFICES: AFL-CIO BLDG., 815 16th STREET, N. W., WASHINGTON 6, D. C.

TELEPHONE DISTRICT 7-7255



July 27, 1961

Honorable John E. Fogarty United States House of Representatives House Office Building Washington 25, D. C.

Dear Congressman Fogarty:

I am forwarding to you a copy of a letter which was sent to the Chairman and the members of the Senate Appropriations Committee, dealing with the proposal on the part of the Navy to institute a bi-weekly pay system for wage board employes, of the United States Navy.

The letter is self-explanatory, but it is very probably that this matter may be raised again before you and I think you should be aware of our opposition and the reasons for it.

Rather than going backward, on the part of the Navy wage board employes, we would very much prefer and do support the position of Congressmen John Fogarty and Thor Tollefson of putting all government wage board employes on a weekly pay basis.

With all good regards. I remain

Very sincerely yours,

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f. A. Brownlow, President

JAB:mr

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J. H. LYONS First Vice-President AL J. HAYES . . . Second Vice-President WM. A. CALVIN . . . Third Vice-President

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TELEPHONE DISTRICT 7-7255

July 27, 1961



Honorable Carl Hayden, Chairman Appropriations Committee United States Senate Senate Office Building Washington 25. D. C.

Dear Senator Hayden:

The Committee on Appropriations, House of Representatives, in its report to the House on the Department of Defense Appropriation Bill (Report No. 574), by inference urged upon the Department of the Navy to institute a bi-weekly pay period for its blue collar workers. This suggestion was made stronger by a reduction of three million dollars in the Naval appropriation to effect this recommendation.

The Metal Trades Department of the AFL-CIO and its 21 affiliated International Unions, covering some three and one-half million members, for many years have vigorously opposed this archaic method of payment.

Our reasons supporting our position are numbrous. However, and without going into great detail, I am listing six specific reasons for our objection.

First, this procedure will be in conflict with existing laws of eight of the states of the union, that employes be paid weekly. In four of these states these statutes apply to state, county and municipal employes. The state of Connecticut makes it mandatory that all employes within the state be paid on a weekly basis. Of these states with such laws, New York, New Hampshire, Massachusetts, Maine, Connecticut and Rhode Island have blue collar employes under the Navy Department. Should this action of the House Appropriations Committee be carried out by the Navy, it would necessitate the amending of these state statutes or an ignoring of them.

Second, many of these blue collar wage board employes of the Navy have subscribed to weekly bond purchase programs. The placing of the employes on a two-week pay basis will seriously affect their continued participation.

Third, there will be no saving to the Navy Department by this action. The bookkeeping, payroll or accounting divisions will not save any money and there is no indication that there can be a reduction in force in these divisions because of it. As nearly as we can learn the same number of personnel will be required.

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GUNNAR HALLSTROM . Seventh Vice-President RUSSELL M. STEPHENS . Eighth Vice-President WM. A. LAZZERINI . . Ninth Vice-President Page 2, Senator Carl Hayden, July 27, 1961

Fourth, many of these blue collar employes will be compelled to resort to lending institutions and others for quick money to meet obligations which they have entered into which require weekly payments.

Fifth, in practically all instances the change will result in an increase in the cost of living of the employe, as he will be deprived of the opportunity of availing himself of cash sales, reduced prices and the use of the chain store or other institutions which, on a basis of cash payments, are able to sell at a slightly lower rate.

Sixth, in the event of an emergency, of which we have had two during the past twenty years, when quick hires are necessary for the Naval shipyards, the source of this employment is the private yards and these trained mechanics will be reluctant to go to work for the Navy under a bi-weekly pay system when, traditionally, they have been paid on a weekly basis. This is particularly important in view of conditions with which our nation is confronted today.

In concluding and in soliciting your good offices and those of the members of the Senate Appropriations Committee to thoroughly examine this proposal made by the House to institute the bi-weekly pay, I am sure that the purposes of the action of the House Appropriations Committee will not serve the United States Navy Department nor its employes, but will be a step backward in employer-employe relations.

It would be far better to put all federal employes on a weekly basis than to retreat to the old and discarded system. That this is antique is evidenced by the fact that over 90% of the employes of industry of the United States are paid on a weekly basis.

Very sincerely yours,

S/ J. A. BROWNLOW

President

JAB:mr