

REMARKS OF HON. JOHN E. FICHTER IN HOUSE OF REPRESENTATIVES, THURSDAY,  
MARCH 6, 1947 ON SUBJECT OF LABOR LEGISLATION.

There is a lot of talk today about the need to protect all Americans against the harmful effects of selfish acts by individuals or groups of individuals.

The Majority Party in Congress pledged itself to do this and to bring order out of what it termed confusion in the field of Industrial Relations and to provide the benefits of progress and prosperity to all Americans - and not merely to the Privileged few.

What has happened? The Labor Department - a Department of Cabinet rank, set up to plan and provide for stable and satisfactory labor relations, is threatened with drastic budget cuts which will reduce to practical impotency those sections which deal intimately with the every day problems of working men and women. This defies the development of a stable and satisfactory industrial relations policy.

At the same time, the Department of Justice faces the prospect of insufficient funds for its Anti-Trust Division, so that it will be unable to raise more than a feeble whisper in the never-ending fight against monopoly and the concentration of national wealth in the hands of the Privileged few.

Like the weather - economic security is drawing a great deal of comment - everyone talks about it but little is being done about it.

Hundreds of measures have been poured into the hoppers of this 80th Congress, everyone presented as the absolute solution to the many and complex problems which surround the industrial life of our country. But, little if any consideration is given to the history of that industrial life, and the background of what we term today - our industrial relations.

Admission is made that security is a desirable thing. Promises are made that everything possible will be done to promote that security. But, actually,



all the emphasis is on legislation which will impose restrictions on the operations of labor unions and their members.

Free Enterprise is presented as the great goal toward which we must strive. But, under the guise of fostering free enterprise, there is a constant clamor to strip trade-unions of all forms of freedom and initiative. Labor is blamed for all our economic, social and political ills. The great hope of the Country, some insist, lies in the elimination - or at least the drastic curtailment - of these trade union bodies.

There have been occasions when Unions have been guilty of errors of judgment. There have been times in the past when labor unions have been driven, by sheer desperation, to adopt some of the ignoble tactics of their employers, in order to wrest from the clutches of greedy operators some semblance of social justice.

The possibility of error is one of the failings of human nature.

But, throughout the entire history of the trade union movement, labor has waged the greatest battle for social justice for all the people. Without the trade union movement the little man and woman would not yet have a spokesman to plead his cause for a better share of the fruits of his toil.

There was a time, and it is well within the recollection of most of men living today, when labor was regarded as free and independent. The greatest Court in the land handed down momentous decisions upholding the freedom of the employee.

He was free to bargain away the best years of his life in virtual bondage for whatever pittance a mill owner or industrial magnate saw fit to award him. He was free to live in company villages and buy his employers' provisions - with all hope for the future denied him and his family - as he accepted, week after week, in stead of a pay envelope, an account of his steadily mounting debt to the company store. He was free to accept this



generous provision for his welfare - as he was free to refuse it and to starve.

In those so-called "good old days" of industrial freedom the employes had no leaders and he looked in the direction of management - but that management failed him.

The management which now cries about injustice and pleads for more equitable consideration had the opportunity to provide the leadership which it now claims is mis-used by labor unions - but it rejected that opportunity because of its selfishness and greed.

In the early days of our country, with our free Enterprise system, leadership naturally went to those men with initiative and ability who gathered together the men and the machines, the material and the money - for the production of goods of all sorts.

In the field of material things they provided brilliant leadership. They built the best factories and shops in the world. They developed the best machinery and equipment. They built the fastest vessels to sail the seas of the world and they exploited the best markets. Their enterprises expanded and their coffers swelled until we were looked upon as a Nation mighty and wealthy in material resources.

But for the human element - which made their vast progress possible - management had never a thought - unless it was one of contempt. Industrialists proclaimed, as an incontrovertible fact, that the labor of men was merely an article of commerce to be purchased at the lowest possible price. Laborers were set one against the other, competing for the available jobs - willing to accept any price - in order to provide their families with at least the absolute minimum of life-sustaining food and cover. No attempt was made to raise employes to a higher standard. The direct opposite of such a plan was the mode of the day. Concentration was placed rather on labor-saving devices, the stretch-out lay-offs and the ever-present specter of unemployment with its resultant hunger, poverty,



and misery.

Those days aren't so far back in the shadows of time that we can't recall them vividly. In the life of this mortal sphere which we inhabit for a short while, those days were but yesterday. And their recollection makes it quite clear why employees formed labor unions to get for themselves and their children a little better lot in life, a little bit more of the wealth they were helping to create by the sweat of their brows.

From labor unions they did - and offered to management once more an opportunity for the leadership which it now desires in others. There was an opportunity for management to demonstrate its sincere belief in the future well-being of the country - and its confidence in the honesty and decency of the average American man and woman. But management spurned this opportunity and set the offers of trade-unions with rebuffs, lock-outs and in many instances - guns, guns and bludgeons.

The Company Union and the Yellow Dog Contract were the weapons ready at hand, and the employers made use of them in their blind hatred of unions. With them they sought to beat their employees back into the state of dumb submission which had marked their former years.

But because man is an individual created by God - with a dignity which demands expression and respect - management failed in this ruthless war on the organizations working-men had created as an expression of their God-given free-will.

Instead of the cooperation which was sought, management gave the labor unions insult and abuse, and labor unions were forced, whether they would or no, to turn to their government - the government of the people, for the people and by the people - for recognition and protection of the rights with which they were endowed as free men.

Industrialists with vision, conscious of the changing pattern of man's



thinking - aware of the constant development of human society, had realized that the union was here to stay. They sought, through cooperation, as free men, to achieve their common goal. Their success makes up the most brilliant chapter in the story of industrial relations in the United States.

But, those who held opinion among the leaders of management generally, refused to recognize the union, refused to bargain with the chosen representatives of their employees. The natural result of this blind obstinacy was the enactment, by Congress, of the Wagner Act with its recognition and protection of Collective Bargaining.

Management had always provided for the retirement and replacement of its equipment and capital goods (it provided insurance for the down-time of its machinery) - but made no provisions for the human beings which operated it. When those human beings turned to their government for the leadership they found lacking in management, that government provided Social Security to see they received some consideration when they were unable, through unemployment or old-age to earn their sustenance.

In many industries management insisted on sweat shop wages and working conditions. The Government - into whose arms labor had been driven - provided the Fair Labor Standards Act, in an endeavor to assure at least a minimum of earning power and a maximum of decency.

Because this recognition had been made of the permanence of trade unions, their representatives were enabled to bargain for, and obtain, vacations with pay - group insurance - sickness benefits, and other considerations which management had looked upon as revolutionary and evil.

Management, which had the opportunity for leadership and had failed, then found itself subject to many administrative orders and regulations, which apparently were considered ominous. It bewailed the fact that it could no longer bargain



with its employees - but must also bargain with the State as the Supreme authority. It now finds labor, quite understandably, unwilling to give up the protections which it has won after a long and bitter and bloody struggle.

Management claims it is no longer free and cries for what it terms "corrective legislation" but in its refusal to face facts it is actually fighting for the imposition of even more legislative and administrative orders and decrees.

Examine the present crop of "labor legislation" with which this Congress is expected to wrestle. Does it return industrial relations to the shop and the factory? Does it seek to promote genuine collective bargaining among free men?

Quite the contrary - it seeks to replace one set of rules with another; to supplant one service by setting up a greater and more powerful one; to replace one Board by an inverted pyramid of services, boards, commissions and courts.

Then what is the answer? The answer lies with management once again. Let it demonstrate that it has learned from experience and make a showing of the leadership of which it claims it is capable.

In the field of science - with technical skills - in the development of material resources - industry has demonstrated its "know-how". Pains are taken to develop the best - to provide the finest - to become the greatest. Why would it not be worthwhile to experiment with this pain-taking effort in the field of human relations?

The present Majority Party in Congress voted that the solution of all our ills lay in the removal of Federal controls.

Abundance of food, clothing, housing and supplies of all kinds awaited only on the demise of OPA. Thus spoke the voice of management just a few months ago. It has had its way and the result is apparent to all.

Consider if you will the plight of the man trying to maintain a home and raise a family on forty dollars a week - and most shop workers and laborers don't



make that much. The cost of the necessities of life is constantly rising. Monopoly - in fact, not fancy - is interested only in getting all the traffic will bear. It is impossible to make a week's pay cover the essentials which a family needs. Every working man and woman has actually had his purchasing power reduced by half.

Instead of the abundance he was promised - he faces going without the things his family needs - because his week's pay can't stretch far enough.

How can he be sold on economic philosophies under such circumstances?

How can he be convinced of the desirability of our Free Enterprise system?

Isn't it only natural - in the face of these facts - that he should ask for more money? Is it surprising that he should insist on being paid enough to care properly for his family? Yet, he's told that the increases he has been given in the past are responsible for the present high prices. You know, and I know, that industry exacted ten times as much in increased prices as it gave out in wage increases to its employees. In recent weeks there have been no wage increases - but you know and I know what has happened to prices. One industrialist decided of his own accord to reduce prices in order to stimulate an orderly return to normal market conditions. His associates - and industry in general - laughed at his gesture and gave prices another boost.

Is this the way to restore economic sanity? Is this the Social Justice which has been promised if Free Enterprise were but allowed to go its own way unobscured?

In my opinion - management is inviting more trouble. It is refusing once again to demonstrate any capacity for leadership. Its selfishness and greed will destroy all hope of free collective bargaining between employer and employee.

Its present insistence on legislation is of the sort to bring about that result. It is insisting on more controls instead of less. It is fostering a greater dependence upon the State rather than greater reliance on cooperation among free men.



The net result will be state control - not alone control of labor unions - but of industry as well. And when that day comes, management will again blame labor unions for its plight. But - if that happens - it won't be important to decide where the responsibility lies - because free enterprise, as such, will be through. We'll have a system of socialism - and it will do no good to wail about the glories of the past.