

*Central Files*

AMERICAN SMELTING AND REFINING COMPANY

TACOMA SMELTER

TACOMA 1, WASHINGTON

June 2, 1967

A. E. SHINKOSKEY  
MANAGER

To all Employees:

The purpose of this letter is to let you know what actually happened in Denver the week of May 15 and the status of negotiations at this time.

The Company's committee went to Denver prepared to begin bargaining with your representatives of the twelve plants whose contracts expire June 30. But that was not why the unions were there, nor was the union group limited to the council plants. Instead, the Company was confronted with local representatives from plants whose contracts aren't open (one doesn't even expire for over eight months) and were told the group would be expanded further at a later meeting to include two additional plant representatives. One of these plants hasn't even negotiated its first contract.

Furthermore, we were flatly told that every one of the representatives was, and would continue to be, there to bargain for his plant and that the bargaining must cover every plant present or to be present later. When the Company declined to meet further with these strangers present, the unions started a series of telegrams to establish a legal position intended to force us to bargain with these stranger plant representatives. To accomplish this, the unions claimed that the non-council plant representatives were only there to help represent the 12 council plants when everybody in Denver knew this was not so, especially after what the unions said at our first meeting. Because of all this, we thought the unions could at least show a good faith willingness to bargain by excluding the non-council plant representatives from the meetings, but the unions refused to do so.

Thus, the Company's only objection to the bargaining has been to the union's dictatorial insistence on compelling us to bargain for almost half a dozen plants which have never before been part of the council's bargaining and whose contracts expire up to 8 months after June 30. There was no "maze of objections," nor any objection to who was your representative.

As for not wanting to bargain about the "important issues involved in '67 negotiations," last week the Company made the following proposal to your representatives:

Three-year labor agreement, July 1, 1967 through June 30, 1970.

1. Wages:
  - Effective 7/1/67 - 8 cents per hour across-the-board.
  - Effective 7/1/68 - 7 cents per hour across-the-board.
  - Effective 7/1/69 - 7 cents per hour across-the-board.
2. Vacation - effective 7/1/67:
  - Three weeks for 10 years' service.
  - Four weeks for 20 years' service.
3. Health and Welfare - effective 7/1/67:
  - Weekly sickness and accident benefit - \$65 per week (up from \$60 per week).
4. Shift differential effective 7/1/67:
  - 8 cents per hour and 16 cents per hour (up from 6 cents and 12 cents).
5. Security and Severance Plan - effective 7/1/67:
  - \$30 in the formula replacing \$25.
6. Life Insurance - effective 7/1/67:
  - \$4,000 replacing \$3,000.
7. Pension Agreement - effective 7/1/67 through 6/30/72:
  - A. Basic benefit: \$4.00 per yr. per mo. of service replacing \$2.50.
  - B. Widow's benefit: An active employee, min. age 55 and 10 years' service who dies, his widow will receive 50 percent of his pension as of date of his death.
  - C. Permanent and Total Disability Benefits Plan - effective 7/1/67: Basic benefit - \$150 per month (replacing \$100 per month).

This offer was made at each of the 12 council plants for three reasons: (1) Because the union's insistence on dragging in plants never part of the council made it impossible for us to make our offer except at the council plants. In other words, we had no place else to bargain. (2) We wanted to place before you this substantial evidence of good faith bargaining, and to "get the ball rolling" towards a settlement. (3) Since the offer is uniform at all plants, the union can resume bargaining at the traditional council level at any time it is willing to do so.

I believe the proposal we have made deserves consideration by your representatives. I suggest you so tell your committee. The Company representatives are ready to bargain in good faith at any time the unions are ready.

Sincerely,

*RE Shinkoskey*  
R. E. SHINKOSKEY

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