

AMERICAN SMELTING AND REFINING COMPANY  
TACOMA SMELTER  
Tacoma, Washington  
December 19, 1967

Dear ASARCO Employee:

This letter will be a little longer than my earlier ones, but I sincerely feel that your interest in the strike is such that you will read these comments carefully.

There has been literally no progress in our negotiations with your Union since my last letter to you. Some of the major Non-Ferrous companies sent representatives to meet with Secretary of Labor Wirtz and Secretary of Commerce Trowbridge in Washington on Thursday, September 7, but these meetings were for the purpose of telling the two Secretaries the status of negotiations. Another meeting was held with top officials of the Federal Mediation and Conciliation Service to explore possible avenues for settlement. It was the feeling of ASARCO representatives that the Government is as frustrated as ourselves over the Union's refusal to make any counterproposal in the bargaining. Without such counterproposals it is impossible to proceed with negotiations under normal circumstances. Unfortunately, this situation will continue for quite some time until the Union feels it is to its advantage to actually start bargaining, which we feel should have been done in May.

Part of the reason for the meeting with the Secretaries in Washington and the Federal Mediation and Conciliation Service was to help them ascertain and advise the President as to the need for a Taft-Harley injunction. Apparently the Government does not feel that the metal supply situation is so critical that a Taft-Harley injunction is necessary, nor do we. It may well be a month, or even more, before any such back-to-work injunction is forthcoming. Hopefully, this strike can be settled through negotiations before the need for any Government intervention is required, but this is up to the Union at this point. Without clear-cut indications from your representatives that they are willing to seriously get down to the trading back and forth that is necessary in bargaining, there is not much we can do.

All other companies in our industry report the same lack of progress and the same attitude on the part of the unions involved. The entire union aim seems to be company-wide and industry-wide bargaining. The end result of this master plan of "coalition" bargaining, which is far removed from you as an Employee or our own Plant, is the stifling of our voice in the matter. Such company-wide and industry-wide bargaining attempts to inject uniformity into all non-ferrous plants regardless of type of business or profitability. If all our plants were in one location this would be one thing, but they are scattered from coast to coast. Unfortunately, if the Union were successful in raising all labor costs to the highest level in a company or industry, some plants could not meet these costs and would have to be shut down, either immediately or sooner than they otherwise would. This is only simple arithmetic, yet your Union pays no attention to such arguments. As you know, different plants in this Company produce different products and have different competition, which requires that we keep in step with that competition, or we cannot survive.

A particular problem in getting our costs too high is our inability to compete with foreign plants. For example, the Japanese are very aggressive around the world and we have lost considerable business to them. A very high-priced, inflationary settlement now will only increase our disadvantage, and will result in cut-backs in production at our plants, and even earlier plant shutdowns than otherwise might be the case. While it may be possible for some other company to meet the

unreasonable demands of your Union, possibly because they cannot afford a strike, this does not mean a healthy result either for them or their neighbors, including us in some cases. It does not mean that we would go along with such a high-priced settlement.

We feel your Union owes an obligation to the Nation in order to prevent such high-priced settlements as will create further inflation and then reduction in your purchasing power, which in turn will require even higher settlements. This is a vicious circle with which you are all familiar, and which is very hard on pensioners and other persons with fixed incomes. Such high-priced and unreasonable settlements also require us to fight to reduce costs, which includes not only spending more money for improved equipment and processes, but also cutbacks in payrolls.

We have all lost 23 weeks in this strike--time none of us can make up. We feel there is little, if any, need for strikes and so advised your Union time and again during bargaining. Settlements can be reached without a strike provided the negotiators take a reasonable approach in terms of what is "right" for you, for us, and for the Nation.

Rome was not built in a day and neither will this Company or this Industry be rebuilt overnight by the Steelworkers into the mold of some Shangri-la they hope to attain.

At this point no meetings are scheduled, the Union shows absolutely no interest in scheduling any such meetings, and they seem to be interested only in watching negotiations elsewhere. We hope eventually they will want to get around to serious discussions with our Company and this Plant. We have no intention of bargaining on a company-wide basis despite the Union's efforts to force us to do so.

Please accept our sincere wishes for a safe and happy holiday season.

Sincerely,

*RE Shinkoskey*

R. E. SHINKOSKEY

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