



File

---

Excerpt from the letter dated October 24, 1967, sent to all Asarco Stockholders by E. McL. Tittmann, Chairman of the Board of Directors of the Company with the report of the Company's third quarter earnings:

"In spite of pre-strike offers by various companies which would have increased labor costs from 40 to 50 cents per hour over a three-year period—substantially above settlements made three years ago—the union failed to make a responsible counterproposal thereby closing the door on further bargaining. This situation persists to this day despite efforts by Governors, Congressmen and Cabinet officers as well as the Federal Mediation and Conciliation Service to break this deadlock.

"It therefore should be evident to all that the union's real objective in this strike is company-wide bargaining to be followed in the future by industry-wide bargaining in our industry. Such a development would allow irresponsible and unrestrained union power to force labor costs to the highest U.S. level without regard for regional differentials in wages and working conditions and without regard to the competitive forces from abroad which this industry must always face.

"For the future best interests of the shareholders, the employees, our customers, the communities in which we operate and the general welfare of our country, the drive for company-wide bargaining must be resisted despite the present hardship it imposes on all concerned. In the meantime, we are prepared to seize every opportunity to reach a satisfactory agreement."

---