

International Executive Board

Statement on Wage Price Controls

The idea that wage and price controls will have any real beneficial impact on inflation is false and misleading. It will not create new jobs, will not increase purchasing power; the rich will get richer and the poor poorer. This is a fact despite present widespread support for the wage/price control program as advanced by President Nixon.

Economic recovery is dependent on increased consumer spending which in turn is dependent upon good wages and full employment. When the workers, through their trade unions, increase wages and secure other economic benefits, the whole economy and the living standards of the mass of the common people are also improved.

A common idea prevalent in the country today is that good wages for workers is the prime cause of inflation; further, that with unions constantly fighting for higher wages and other benefits to workers, it is relatively easy to mislead people into the assumption that organized workers, high wages — and therefore unions — are the real villains in the piece.

Such is not the case. Government spending for war and defense, cou-

pled with huge profits made by price-fixing corporations, is the true cause of inflation; but it is cold comfort to our union or any other union to point to the war in Asia, government spending for defense, and other items such as interest on the national debt as the root reason for inflation.

What our union must face up to — as must all the unions in the United States—is: What shall we do about the freeze? Accept it, and go along with it, or oppose and fight it?

As a union there is really no alternative. We must condemn and oppose the wage freeze; we must fight it, and do our best to fight it effectively. Not a losing fight where we go down with flags flying and wind up with a battered and weakened union, still victim to the wage/price controls, but we can refuse to accept the freeze, we can refuse to cooperate, and we can use the strike weapon in those situations where a strike can be effective. We can resort to local and industry-wide strikes to demonstrate our opposition to the wage freeze, and our determination to use our union strength and solidarity to force government recognition that our contracts as negotiated with our employers will not be modified or

undermined by the application of Wage/Price Panel regulations.

The best place for our union to demonstrate our position with respect to the freeze is in the union's West Coast Longshore Division presently held on the job by the 80-day Taft-Hartley injunction.

We should now resolve as a matter of International union policy to place the full support of our International union behind our West Coast Longshore Division if that part of our union determines to resume its strike in order to force approval from the government of any contracts negotiated with its employers, despite any attempt of imposition of wage/price controls.

We also resolve, and urge all labor to take a like position, to support any trade union struggle to recapture retroactive payments due under existing contracts, to achieve industry equity in negotiations, and in particular to bring sub-standard wages and working conditions up to par.

Further, we reaffirm our position against any extension of the 1970 Economic Stabilization Act, due to expire in April, and urge all locals to get in touch with their Congressmen and Senators to urge them to vote against such extension.