An Open Letter from the Steel Companies Coordinating Committee to the President of the Steelworkers Union

Dear Mr. McDonald: It's time for you to stop trying to mislead the public

Ever since negotiations began, you have been trying to mislead the public about the real issues in the wage negotiations you are carrying on with us. Your weekly advertising distorts facts and tries to sidestep the job we

have to do. Despite what you have been saying in print:

YOU KNOW that the public, as well as your own membership, is greatly worried over inflation and the high cost of living and does not want the outcome of these negotiations to make inflation worse.

YOU KNOW that inflation is not "a fictitious monster created by the American steel industry," the label you applied to it at a recent press conference.

YOU KNOW that profits vary with the amount of business, and that when business and profits go up, steelworkers are better off.

YOU KNOW that profits are essential to provide new and improved tools of production-hence maintain and provide jobs for steelworkers-and to pay stockholders for the use



GETTING READY-Getty ready for opening day of the Berstead Municipal Plunge as soon as summer vacation arrives, are Virgil White, left, and Al Bee, as they scrub and hose down decla Press Photo to have plunge ready and clean.

Cadet Officers Win Awards

William A. Whittington, 1230 Hickory Ave., won the Society of American Military Engineers me dal today at the annual awards luncheon of the Air Force ROTC at the University of Southern California. Whittington is a cadet lieutenant colonel in the corps.

The award is presented annually in recognition of outstanding academic achievement and meritorious scholastic endeavor and for being the most promising senior AFROTC cadet.

James Davis, 3146 W. 180th P Torrance, recéived a Chicago Tribune silver medal. This is given each year to the outstanding air science cadet in the first classes who has demonstrated his ability in military achievement, scholasic attainment and character. Davis, who attends El Camina College, takes AFROTC training at SC each Saturday in a special





YOU KNOW that the dollar today is worth only 48 cents, compared with 1940, because of the inflation which you pretend is not a problem to anybody.

YOU KNOW that the basic issue before us is steel wages . and other employment costs-and what will happen next to people's dollars if wage-push inflation continues to spread.

YOU KNOW that steelworkers are already earning an average of \$3.03 per hour, and that the cost of the employee benefits paid by the companies comes to 57 cents per hour more-making a total of \$3.60.

YOU KNOW that the steelworkers' average wage and benefits are already higher than those of almost all other workers -and that their advantage has increased greatly in recent years. In wages alone, average hourly earnings in steel are now 84 cents per hour above the average in all manufacturing.

YOU KNOW that steel wages and benefits have increased much faster than the cost of living.

YOU KNOW that the 288 percent increase in hourly steel employment costs since 1940 has been nearly ten times the 30 percent increase in shipments per man-hour.

YOU KNOW that the 30 percent increase in shipments per man-hour results largely from about 12 billions of dollars spent by steel companies from 1946 through 1958 in modernizing their plants and equipment. Certainly the investors are entitled to an additional return on additional investment.

YOU KNOW that steel profits-far from being "fantastic," as you have been telling the public-have been on a declining scale since 1950.

of their money.

YOU KNOW that U.S. Department of Commerce reports show that since December 1958-for the first time in modern history-imports of foreign-made steel are greater thanthe amount exported (your latest advertisement implies just the opposite).

YOU KNOW that there is already less work for many members of your union because American steel with its high wage costs cannot compete with low-cost foreign steel.

NOW-how do we know that you know these things? Here are three good reasons:

- 1. Every one of the above facts and figures is a matter of public record.
- 2. In your own union convention last fall, members of your organization publicly boasted, "We have the highest industrial wages in America."
- 3. An official report at the same convention stated that approximately one-seventh of your members owe their jobs to exports of metal and metal products.

We say to you-the use of invalid comparisons and other distortions of fact to produce misleading impressions will only make it harder for both sides to do our job as responsible citizens. Our job is to reach an agreement in the best interest of all concerned—an agreement that will help to curb inflation and help make more jobs.

That is why we have proposed continuing the present high level of wages and employee benefits, without change, for another year.

THE STEEL COMPANIES COORDINATING COMMITTEE

375 Lexington Avenue • New York 17, N. Y.

Allegheny Ludium Steel Corporation • Armco Steel Corporation • Bethlehem Steel Company . The Colorado Fuel & Iron Corporation . Great Lakes Steel Corporation . Inland Steel Company . Jones & Laughlin Steel Corporation • Kaiser Steel Corporation • Republic Steel Corporation • United States Steel Corporation . Wheeling Steel Corporation . The Youngstown Steel & Tube Company

