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TECHNOLOGICAL CHANGE--A STUDY OF ANACONDA COMPANY'S
GREAT FALLS REDUCTION DEPARTMENT

By

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B.S. Montana State University, 1960

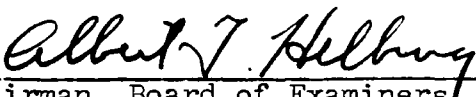
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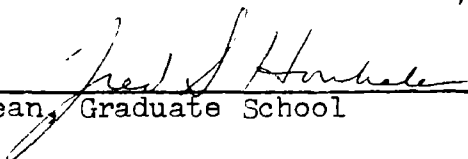
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History and Beginning of Great Falls Reduction Department

The Boston and Montana Consolidated Copper and Silver Mining Company broke ground in 1891 for its copper reduction works in Great Falls, Montana.¹ A furnace refinery and an electrolytic copper refinery were added by 1893. The ore from the company's mines in Butte could now be converted from the raw ore into a commercial shape of refined copper.

The Anaconda Copper Mining Company took over the properties in 1910 from the Boston and Montana Consolidated Copper and Silver Mining Company. Since that time the plants have been known as the Great Falls Reduction Department of the Anaconda Company.

The copper concentrating and smelting operations were discontinued in 1918. Today, the copper operations consist of refining the copper in the Electrolytic Copper Refinery (ECR) and casting the refined copper into commercial shapes in the Furnace Refinery. These two departments are called the Copper Plant. The Copper Plant, along with the Zinc Plant, and Wire Mill are the three main operating plants of the Great Falls Reduction Department.

Technological Change

The collective bargaining agreement which was in effect at the beginning of the following case study became effective on July 1, 1962

¹Anaconda Copper Mining Company - Great Falls Departments, Great Falls, Montana (Eighth Edition, January 1937), p. 9.

and continued in force for two years.² The Anaconda Company, hereinafter called the Company, the Great Falls Mill and Smeltermen's Union No. 16 of the International Union of Mine, Mill and Smelter Workers, and the International Union of Mine, Mill and Smelter Workers, hereinafter called the Union, entered an agreement covering rates of wages, hours of labor, and other conditions of employment at the Great Falls Reduction Department.

The Company decided to install a Vertical Copper Melting Furnace or Shaft Furnace at the Copper Plant in order to keep up with the highly competitive copper market. Management felt that with this technological change the Company would be able to remain in a competitive position in the copper market.

The Shaft Furnace is a technological improvement over the reverberatory furnace which it replaced. Cathodes from the ECR are loaded into the Shaft Furnace by means of a charge crane. This operation is similar to the previous method of charging the reverberatory furnace. Both furnaces are operated with natural gas fuel.

The reverberatory furnace had a 24-hour cycle which consisted of charging, melting, oxidizing, poling, and casting. In the afternoon the first charge of about 400,000 pounds was loaded into the furnace. Later, a recharge of approximately 260,000 pounds was loaded. The copper charged in the afternoon was ready to cast the following morning. With the Shaft Furnace the complete cycle can be completed during a one

²Agreement Between the Anaconda Company and Great Falls Mill and Smeltermen's Union No. 16, of the International Union of Mine, Mill and Smelter Workers and International Union of Mine, Mill and Smelter Workers. July 1, 1962, p. 1.

shift operation. When the copper is in a molten state and ready to cast it is drained through a tap hole into a launder or trough which runs into one or two ladles. From the ladle the copper is poured into molds that have been painted with bone ash to prevent burning and sticking. The casting wheel is the improved Clark type. The molds are placed on a revolving wheel. After the molds have been filled with the molton copper they are rotated over a tank filled with water which is known as the bosh. The copper bars are emptied into the bosh which chills the casting and gives it the characteristic red color. The bars are then carried by a conveyor out of the bosh to be inspected and made ready for shipment or further processing. If the customer wants the set or oxidized top surface of the bars removed, they are sent through the Ingersoll scalping machine before final shipment.

The main differences between the new process and the old method occur before the casting cycle begins. The Shaft Furnace may be operated a double shift whereas the reverberatory furnace could only handle one shift of casting per 24-hour period. Thus, more copper can be cast during a shift with the Shaft Furnace and scheduling for production requirements is much more versatile than with the reverberatory type furnace.

The Project Engineer prepared the following schedule, before operations began, to show the tentative differences between the two different types of furnaces:

TABLE 1
 PRODUCTION SCHEDULE

	Present Furnace	Shaft Furnace
Man days	26	17
Hours casting	$4\frac{1}{2}$ - $5\frac{1}{2}$	7
Hours working	$4\frac{1}{2}$ -7	7-9
Tons cast/day	320	490
Tons cast/hour	75	70
Tons/man day	12.31	28.82
Tons/man hour	2.46	4.05

Negotiations

Before the Shaft Furnace was ready for operation, several of the Company's management personnel had visited similar furnace installations to get a general idea of what jobs would be required on the new furnace. None of the furnaces were exactly the same as the Company's, therefore, definite job classifications could not be set up.

Article 4, Section 4, of the collective bargaining agreement pertained to "New Jobs" and read as follows:³

In the event a new job is created during the life of this agreement the Company shall establish the wage rate for such job and notify the Union by giving as much advance notice as possible of the proposed new job and rate. At the request of the Union, the duties and rates of pay for such new job shall be the subject of negotiation between the parties.

Negotiations between the parties began on August 28, 1963, concerning the duties and rates of pay for the new job. This was the first of a series of meetings which were to extend into over 30 different

³Ibid., p. 4.

meetings and last until August 19, 1964, when the final Memorandum Agreement was signed.

The second meeting was held on September 12 to discuss the Company's proposal of the jobs, rates and working time for the initial operating crew during the trial period. The present crew on the old reverberatory furnace was 29 men, whereas, the crew on the Shaft Furnace was listed as 19.

Mr. William Kelly, who was the Labor Relations Counsel for Montana Operations of the Company, stated that adjustment of rates was not within the jurisdiction of the two groups involved at these meetings. However, the Union could offer a proposal for rate adjustment which would be discussed at the future and proper time.

Consideration was given to the two types of job seniority in the Furnace Refinery Department which were: (1) furnace seniority, and (2) floor seniority.

The next six meetings were held during the time period of September 27 to October 11. These meetings were concerned with proposals and counter-proposals of jobs, rates, times and duties of the crew.

In the past, Furnace Refinery jobs had gone strictly on seniority and depended on who showed up for work. To alleviate this problem the Company thought that it would be practical to have the same crew working on the Shaft Furnace for the initial two week period after start-up. The Company then submitted a list of men. This turned into one of the first big problems.

The Company would not accept certain phases of the Union Committee's proposals until the Shaft Furnace had been in operation for some

time. The Company explained the operation of the Shaft Furnace to the Union Committee and stated what would be allowed for lunch time and break time during the first several days of operation.

The Union Committee's proposal for up-grading certain labor jobs met with the approval of the Company. The jobs of conveyorman, crane chaser and pitman were given a rate increase from labor to sub-operator. The Union Committee was now ready to accept the proposals to date for the start-up of the furnace operation. It was agreed to have a meeting about one week after the furnace start-up. The first day of operation was on October 16, 1963.

The ninth meeting was held on October 25. The Union brought up the following complaints: (1) pitmen are not satisfied with present five man crew; (2) winchman is not getting lunch relief; (3) another ladleman is needed; (4) another man is needed on the furnace; (5) extra help is needed to put in ladles; (6) another fisher is needed; (7) trucker relief should be a man from the trucker line-up; (8) relief man should stay on the wheel; and (9) ladlemen do not have enough time to repair ladles.

The Company informed the Union that they would re-evaluate the requirements as additional experience was obtained from operating the furnace. A tilting Y launder was being made to relieve the furnaceman of the hot work of dividing the flow of copper. The pitmen would go back to a three-man rotating crew.

On October 28, the twelfth day of operation, the Union asked that the ladle crew be increased from three to four and the ladelman's cab be sound proofed. These two requests were carried out by the Company.

The Union also listed the following five point proposal:

1. The pitmen will rotate as a three man group.
2. The Company will furnish all employees with gloves, shoes and clothing.
3. Men on Shaft Furnace will be increased to 23.
4. The following jobs will be increased as follows:
 - a. Inspector - 1 grade
 - b. Furnaceman - 2 grades
 - c. Lift crane - 1 grade
 - d. Leadman - 2 grades
5. Increase all men on the Shaft Furnace three grades.

The proposal was discussed and another meeting was called for on October 31. A one grade pay increase amounted to \$.51 per day. Therefore, the wage increase desired amounted to \$38.25 per day for a 23 man crew. (This would be well above the 3.2 per cent guidelines of today).

The next meeting was a discussion of the "five proposals." The Company had agreed to return the pitmen to a three man operation. The furnishing of gloves, shoes and clothing was referred to the Butte offices of the Company. The number of men needed would be evaluated for efficiency of operation. An extra ladleman would be put on to repair ladles and do other work. The pay rate change was also referred to Butte. The Union complained about the monthly men working on the launder early in the morning and mentioned that all labor should be increased one-half grade.

The Union requested answers to their "five proposals" at the twelfth meeting on November 20. The Company would allow the pitmen to

relieve one another and rotate as a three man group. Hot mill gloves, asbestos mitts, and asbestos coats and aprons would be furnished to the furnaceman, furnace leadman, and fishers as needed. Further consideration would be given to shoes for furnacemen on a "need" basis and to others on a "trail" basis. The crew would not be increased to 23 men but was placed at 20, with extra men used. Grade increases for the lift crane operator and inspector were not justifiable to the Company. The furnace leadman and furnaceman would be considered when they actually took over the operation of the furnace from the Company's monthly employees. The Company stated that the three grade pay increase was not warranted since the work was the same as before.

Mr. J. P. Mooney, International Representative of the Union, stated that the Union men would be very unhappy with the above proposal and that he would advise them that they could refuse to work on the Shaft Furnace. Mr. L. J. Ingvalson, the Plant Manager, stated that this would not be according to contract. The contract read:⁴

During the life of this agreement the Union agrees that there shall be no collective cessation of work by the members of the Union on account of any controversy with the Company respecting the provisions of this agreement, or any other controversy that may arise between the parties to this agreement, until and unless all of the means of settling any such controversy under the provisions of this agreement, or otherwise, shall have failed.

On November 26, 1963, the men assigned to the Shaft Furnace refused to go to work at 8:00 A.M. They would not work on the Shaft Furnace because they felt that progress on their demands was too slow; however, they were willing to work elsewhere in the department. The

⁴Ibid., p. 34.

men decided to return to work at 11:00 A.M. It was agreed upon to arrange for Mr. Kelly from Butte to attend a negotiating meeting that afternoon.

The meeting was held that afternoon with the Union asking for a trial run using 22 men plus the winch man. This was one more man than was presently being used for the break-in of the furnace. The Union stated that it would prepare a written schedule of the trial run and present it at the next meeting on the following morning.

Mr. Mooney presented the listing of the 22 jobs for the trial run. The rest of the morning was spent discussing the proposal. That afternoon the Company agreed to accept the proposal only on a trial basis. Job reclassifications would be considered when the Union men were doing the job.

The next negotiating meeting was held on December 17. Mr. Ingvalson reviewed progress on negotiations to date. The Company had agreed to a 22 man crew. The Company was prepared to state their position on the two pending proposals left over from the "five proposals" of previous meetings if the negotiations could be terminated and the operation of the Shaft Furnace considered a settled matter. The Company's position on the two remaining proposals was: (1) the furnaceman would be given a two grade increase and his title would be changed to shaft furnaceman; the inspector and lift crane operator would not be given an increase since the jobs were the same as before; the furnace leadman was not running the furnace yet and would be considered later for a raise; and (2) the Company offered to furnish hot mill gloves to the three men working on the furnace, and a pair of regular safety

shoes per year would be furnished to each man with established departmental rights.

Mr. Mooney said he would take the offer back to the Furnace Refinery men, but he thought that it was inadequate.

In a private letter from Mr. Ingvalson to Mr. Martin Hannifan, Manager of Montana Operations for the Company, the concessions of the last two meetings were described. Mr. Ingvalson said: "Further discussion brought out the fact that the men still believe they are entitled to and can get an across-the-board increase.

"In my opinion an amiable settlement cannot be made at this time without granting an across-the-board increase of at least two grades (\$1.02)." However, Mr. Ingvalson was opposed to this since it would disrupt the entire pay scale of the Great Falls Reduction Department.

Mr. Ingvalson continued: "By not granting the increase, we can expect continued harassment, lack of cooperation, and substandard work.

". . . but I anticipate a long, drawn out period of negotiations with the definite possibility of additional work stoppages."

A meeting was held at the Copper Plant on January 3, 1964, at the request of the Union to discuss operations at the Shaft Furnace. The Union objected to the cleaning of the Shaft Furnace compressor filters by the firemen at the Copper Plant. The Union said that it was normally done by a boiler washing crew. The Company explained that the firemen's job had been shortened by the new furnace and therefore they were assigned this additional duty. The Union complained about using a brickmason to help operate the stacker crane during a re-lining job. The Company stated that the brickmason was only needed for a 30-minute

period during the shift and that it was unnecessary to have another crane operator for the short time period. The Union objected to using pipe fitters for lubricating gas valves on the furnace. The Company stated that maintenance had been assigned to the pipe fitters. The Union also objected to brickmasons working on a launder. The Company stated that it was a major repair job. Ladelman pay for operating one and two ladles was questioned by the Union. This would be straightened out replied the Company. The Union complained about the poor quality of overtime lunches and the Company said they would investigate.

The major problem discussed at this meeting was the scheduling of an afternoon shift on the Shaft Furnace for January 8, 1964. The Union contended that a double shift had never been scheduled in the past, therefore, the past practice clause forbid it. The Company's position was that the past practice clause was not applicable to this situation since it was not possible to schedule a double shift on the reverberatory furnace. The Company stated that operations and procedures could not remain fixed forever because of equipment limitations. The Company informed the Union Committee that the Union would recognize their past practice stand was undefensible if they would review the arbitrators' statements relative to the past practice clause in the "Pumpman Arbitration Case" dated April 19, 1961.

The 1945 past practice clause read:⁵

Local rules or regulations covering working practices and working conditions of employees which have been established by custom or local agreement and were in effect September 1, 1945,

⁵Ibid., p. 41.

shall not be changed during the life of this agreement without mutual consent. It is understood, however, that the Union, through its representatives or committees, or in such manner as they may elect, may at any time discuss and negotiate with the management of the Company for changes in said rules or regulations covering working practices and working conditions of employees which have been established by custom or local agreement and were in effect prior to September 1, 1945, or subsequent thereto.

The Company explained the necessity of running the double shift at a meeting held on January 7. The Company needed to run the after-noon shift to balance the cathode supply with wire bar orders.

On January 8, 1964, the two shifts were run.

A meeting was scheduled for January 14, 1964, as a result of the Union's request that the Mediation and Conciliation Service become involved in the dispute. Mr. Carl Clavadetscher, Commissioner, Federal Mediation and Conciliation Service, presided.

Mr. Mooney stated that three issues remained to be settled:

1. Wages and reclassification.
2. Clothes, shoes, and gloves.
3. P. M. shift.

Mr. Ingvalson listed the following concessions to date:

1. Three men added to original crew.
2. Six floormen raised one grade.
3. Two ladlemen raised one grade.
4. Relief time increased from 40 to 60 minutes.
5. Check out time increased from 20 to 30 minutes.
6. Furnacemen were given hot mill gloves.

Mr. Ingvalson offered two more concessions:

1. Two grade increases for furnaceman.
2. Shoes for all established employees.

This was the situation that Mr. Clavadetscher walked into. Mr. Mooney stated that the offer was not sufficient. When the meeting was over, Mr. Mooney reiterated to the Union employees that they did not have to work on the Shaft Furnace. Late that evening he called the Plant Manager and informed him that the employees of the Furnace Refinery had decided not to work on the Shaft Furnace.

The Strike or Work Stoppage

The five early men on the Shaft Furnace went to work on January 15, 1964. When the foreman blew the whistle at 8:00 A.M. to call the other men to the furnace, only five men answered the call while 13 men stayed in the lunchroom. The Copper Plant Superintendent entered the lunchroom and asked the men if they were going to work on the Shaft Furnace. They replied that they would not work on the Shaft Furnace but that they would work elsewhere in the department. They were informed that there was work on the Shaft Furnace for them to do, but if they refused, the Company would assume they had quit their jobs and they were no longer employees. The 13 men remained in the lunchroom.

The Billet Furnace started to cast at 8:00 A.M. and #3 reverberatory furnace started to cast at 11:00 A.M. At approximately 12:30 P.M. two Union men told the tapper at the Billet Furnace to plug the furnace. Then they went to #3 Furnace and told the tapper to insert the plug. One man was fired on the spot and both men were escorted off the plant property. The 13 men in the lunchroom were told to leave also. The Furnace Refinery men who still remained on the job were told that the two furnaces were ready to cast out and their jobs were waiting.

Union and Company officials met for a short time at the Furnace Refinery. Mr. Mooney stated that the Union would supply maintenance, but would not empty the two furnaces. The Company later asked for tappers to put in solid tap holes and warned the men that if they left they would be quitting as there was work for them to do. The Union men all left the Furnace Refinery at 1:45 P.M.

That afternoon Mr. Clavadetscher presided over another meeting. The Company took the stand that no negotiations would proceed until the men returned to work. The union said no work would transpire until the issues were solved.

Picket lines were posted late that evening by Local 16 of the International Union of Mine, Mill and Smelter Workers.⁵ About 1,050 Mine, Mill union members and a few hundred members of the craft union refused to cross the picket lines the next day. About 180 salaried personnel crossed the picket line on January 16 to report to work.

The nineteenth negotiating meeting was held on January 16. Mr. Mooney stated that there were still three problems remaining. They were: (1) wages; (2) clothes, and (3) P.M. shift. The Company presented the Union with a letter regarding the P.M. shifts. It stated that the Company reserved the right to schedule shifts as it deemed fit. The present plans were to operate additional shifts when required by production schedules and to schedule around premium pay days unless needed. The Company agreed to consider hot mill gloves for the fisher. The Company also stated that the ladleman would be paid a grade five

⁵Great Falls Leader, January 16, 1964.

rate whether one or two ladles were being used. The Union was instructed by the Company to warn the pickets about proper behavior on a county road leading to the plant. There had been rumors that the pickets were drinking and partying on the job.

The Company listed three maintenance jobs to be done:

1. Empty two copper furnaces.
2. Tighten rods on all furnaces.
3. Move mud out of Zinc Plant.

Mr. Mooney said that the Union would supply maintenance as the contract stated. Article 11, Section 3, read:⁷

It is further agreed that should any condition arising either during the period of this agreement or at or after the expiration thereof lead to a stoppage of production, the Union will, at the request of the Company, keep such members of the Union (in continued good standing with the Union) as the Company may require engaged on such work on the properties of the Company, in connection with the operation of pumps and other machinery or on such other work as may be necessary to protect the properties from damage or destruction, it being understood that no such employees shall be required to work during the period of any strike if and when the Company attempts to produce.

Mr. Mooney was quoted by reporters as saying:⁸ "We are in negotiation and it is better we be mum," therefore, he had "no comment" on the afternoon of January 16. Mr. Ingvalson could not be reached for any comment that afternoon.

Gabriel Kuntz, local union business agent, and Mr. Mooney said the work stoppage came about after the union was unable to work out a satisfactory settlement.⁹ "Finally the patience of the men assigned

⁷Agreement, p. 35.

⁸Great Falls Leader, January 16, 1964.

⁹Great Falls Tribune, January 17, 1964.

to this new furnace was exhausted and they took the position, which they have a perfect right to do under the collective bargaining agreement, that they were not willing to continue working on the new furnace until a settlement of the issues involved had been reached," they said on the evening of January 16.

"However, these members offered to produce copper on the old type furnaces, as in the past. This company refused and in turn took the position that the men had quit and had them escorted from the plant property. It was this action by the company that provoked the membership of the local union to close the entire operations," Kuntz and Mooney said.

The mud in the Zinc Plant had been mostly taken out by the 17th of January. This had been accomplished by doubling the afternoon shift over in the Zinc Plant on the day of the Furnace Refinery shutdown. The pickets were not set up until that evening and the Zinc Plant employees were not aware of the work stoppage. Therefore, they volunteered to work overtime. The following day the salaried employees finished the job.

"Negotiations in the dispute were at an impasse Thursday night and no further meetings were scheduled."¹⁰ Mr. Clavadetscher notified both parties in the dispute, on January 17, that he would be out of town for some time to attend a conference of the federal service representatives in Chicago. He scheduled a meeting for January 27 if the dispute was still unsettled when he returned. He said that if either

¹⁰Great Falls Leader, January 17, 1964.

party wished to have the services of a federal mediator before that time they could make a request to the San Francisco office of the Federal Mediation and Conciliation Service.

"If either side contacts the regional office, a mediator who will be fully aware of the facts surrounding the dispute will be sent immediately to Great Falls," Clavadetscher said. Neither party requested this service during the absence of Mr. Clavadetscher.

On January 17 a meeting was held to schedule men to empty the furnaces. The Union thought that the list was too long and should be made strictly on seniority. Also, the 14 men presumed to have quit should be placed on the list if they were high enough on the seniority list.

Mr. Ingvalson stated that the 14 men would be the last item on the agenda prior to settlement.

Another meeting was held on January 18. The Union presented a list of men which was not acceptable to the Company because it included some names of men not among the Company's employees.

Three calls were made by the Company requesting men to empty the copper in #3 Wire Bar Furnace and the Billet Furnace. These calls were made on January 18, 19, and 20.

The condition of #3 Furnace was such that the Company could not allow holding the copper any longer. The furnace was long past its ordinary life and the Company felt they had no assurance that it would hold together if shut-down with the copper in it. The copper was drained from #3 Furnace by the salaried employees. The heat was turned off the Billet Furnace and the copper was solidified or frozen.

The Union had sent a telegram to the Company on January 20 offering to provide a crew. However, the Company still contended that the 14 men who had refused to perform assigned work should not be included on the seniority list. Therefore, the Company would not schedule any of the 14 men unless they were reinstated.

The Union felt that they had the Company against a wall before the #3 Furnace was emptied. They did not believe the Company would be able to empty this Furnace without Union help. With the emptying of this Furnace the Union's bargaining power fell. With everything shut down the Company was ready for a long siege.

At a meeting on January 22 the Union agreed that an afternoon shift could be scheduled if production needs required it or to make up a shift lost. However, the day shift was to be considered the preferred shift and employees with the greatest seniority were to have preference regarding shift assignments. The Company wanted to be allowed to schedule an afternoon shift to avoid working on holidays and paying premium pay. The Company wanted to add a qualification clause to the seniority proposal. If the men with the greatest seniority were unable to perform the job a lower seniority man, who was qualified, could be used on P.M. shifts.

The Union wanted the Company to take back all 15 men and sign a non-discrimination clause. Also, the Union wanted the shifts lost during the shutdown to count towards vacation time. The clothing issue was discussed some more. The Company was willing to take back the 14 men it had presumed quit but it would not take back the man it fired.

Mr. Clavadetscher, federal mediator, returned to his home in

Great Falls from Chicago on January 26.¹¹ He scheduled a meeting between the negotiating committees of the Company and the Union for the following day. During his absence the Company and the Union both placed statements in the Great Falls Tribune stating their positions. Exhibit 1 and Exhibit 2 are these two statements. The Company still contended that the shutdown was an illegal strike and the Union called it a work stoppage.

On January 27 the Company proposed job classifications which were lower than the Union demands. A holiday clause was added to avoid working on holidays and the seniority clause for shift assignments was changed to read that all jobs must be filled by qualified men within that job classification. The Company proposed one pair of shoes for men with established seniority in the Furnace Refinery; furnacemen would be issued hot mill gloves; and clothes damaged would be replaced.

The Union did not agree to the above proposals.

The twenty-third meeting was held on January 28 with the Company still refusing to sign a discrimination clause. The Union refused to take heavy cathodes from the ECR or unload zinc concentrates as part of their maintenance agreement.

Another meeting was held on January 29 between the two parties. After a caucus with the Union, Mr. Clavadetscher told the Company that the Union men would probably settle if all 15 men were taken back and the discrimination memorandum, dated January 22, was signed. Mr. Kelly asked for the paragraph on vacation time to be deleted.

After one and one-half hours of deliberation the Union agreed to the following:

¹¹Great Falls Tribune, January 27, 1964.

EXHIBIT 1

UNION STATES POSITION

Any impression that the present work stoppage by Anaconda Company employees, members of Mine-Mill local No. 16, is illegal, unjust and that only a handful of employees are involved is, of course, not true. This dispute, like all other disputes, has two sides. This Union feels that the entire community should know its side of the story.

First, we will deal with the issue of the work stoppage being illegal. Article 11, Section 1 of the collective bargaining agreement states:

"During the life of this agreement the Union agrees that there shall be no collective cessation of work by the members of the Union on account of any controversy with the Company respecting the provisions of this agreement, or any other controversy that may arise between the parties to this agreement, until and unless all of the means of settling any such controversy under the provisions of this agreement, or otherwise, shall have failed."

It does not take a genius to understand that after 4 months of negotiations, involving 17 meetings with the Company, that all means of settling the controversy under the provisions of the agreement had failed. Weeks ago the meetings with the Company turned out to be nothing more than a talkathon. In spite of this, the Union continued its efforts to work out a settlement. THE UNION ASKED THE COMPANY IF IT WOULD AGREE TO SUBMIT THE DISPUTE TO ARBITRATION. THE COMPANY'S ANSWER WAS A FLAT "NO."

The Union finally requested the Federal Mediation and Conciliation Service to get involved, which it has done. The Company still refuses to budge.

Second, we will deal with the issue of whether or not the demands of the employees are just: The Union contends that they are, based on a few pertinent facts, as follows: (1) With the opening of the New Shaft Furnace, the Company eliminated the jobs of 7 men. This creates a saving for the company in the amount of \$141.72 per shift, or \$992.04 per week, or \$4,298.84 per month, on wages alone, not to mention what it saves by the elimination of fringe benefits to 7 men. (2) The men assigned to the New Shaft Furnace are required to put in from one and one-half to two hours per shift more actual time worked than they did on the old type furnaces. In addition to the extra work load, these men on the New Furnace are subjected to considerably more heat and noise, which creates tremendous strain and fatigue. The company has admitted that production is already up by more than 14 per cent and it has stated that it expects to increase production by more than 30 per cent. (3) What has the Company offered the men for this extra work, production, strain and fatigue? It has offered to up-grade jobs affecting 7 men, in the amount of 51c per shift. It has offered to upgrade one job affecting 1 man, in the amount of \$1.02 per shift. This increase would

Exhibit 1. (Continued).

only cost the company \$4.59 per day. They have also offered to provide the men with one pair of shoes per year. It claims that shoes cost about \$8 per pair, which means that the cost on shoes would be less than one-half ($\frac{1}{2}$) cent per hour, for the 22 men, or at the most 80c per day. Therefore, its total offer on money items would cost the Company about \$5.39 per day. Compare this with its saving of \$141.72 per day on wages, plus what it will gain by increased production. (4) If the company granted the men everything that they are asking for it would cost the company less than \$35 per day.

Third, we will deal with the issue of the number of men involved and how come: Initially, only the crew for the New Furnace was involved, which is 22 men. However, after months and months of fruitless negotiations the men involved decided that they would refrain from operating the New Furnace until such time as a settlement could be arrived at. This they had a perfect, legitimate and legal right to do under the collective bargaining agreement. During the course of a meeting between the parties on Jan. 14, which was held under the auspices of the Federal Mediation and Conciliation Service, the Company refused to budge. At a meeting that night, with the men involved, we decided to draw the line. The Union promptly informed the Company that effective Wednesday morning, Jan. 15, there would be no more work on the new furnace until a settlement was reached, but that the men would work at any other work available, including pouring copper from the old furnaces.

The next morning when the men reported for work, the company ordered them to go to work on the New Furnace, which they declined to do. They offered, however, to work at any other job which the Company wished to provide. The Company in turn took the position that the men had quit and ordered them to leave the plant. The men, instead, waited in the lunchroom insisting that they should be allowed to work on other available jobs. Instead of offering the men work, the Company picked out two members of the Union's Negotiating Committee and had them escorted out of the department and off the plant property, and stated that they were fired. This provocative action by the Company resulted in all of the men in the Furnace Refinery Department stopping work. The Company then proceeded to further provoke the situation by terminating all of the employees of the department and ordering them to leave the property.

During the course of a meeting that afternoon, Wednesday, Jan. 15, the Company again stated that it was not going to give the men one red cent more in the way of wage increases, nor were they going to make any other concessions to work out a settlement.

By the time of the regular membership meeting that night at 7:30, the membership throughout the plant was well aware of the provocative action by the Company. More than 400 members showed up for the meeting. Results: A motion to set up picket lines and close the plant down in support of the men who had been terminated and were escorted from the plant property.

Exhibit 1. (Continued).

This Union, as stated to the Federal Mediator and Company Officials, is ready and willing to meet at any time, day or night, in further efforts to negotiate a settlement of the issues and get the plant back into production.

GREAT FALLS MILL & SMELTERMEN'S UNION No. 16,
INTERNATIONAL UNION OF MINE, MILL AND SMELTER WORKERS

Source: Great Falls Tribune, January 21, 1964.

EXHIBIT 2

THE ANACONDA COMPANY

GREAT FALLS, MONTANA

January 24, 1964

THE STRIKE

To Our Great Falls Employees:

In this letter we will explain the unfortunate strike at the Great Falls Plant. The newspaper ad is being used because we want to get the information to you as quickly as possible and also because other people of the community will be interested since they too are being hurt by the strike and the economic losses it is causing. A copy will be sent to your home.

The strike, which is completely unnecessary, has put nearly thirteen hundred people out of work and has cut off a flow of pay checks amounting to approximately \$124,000.00 weekly. You who are directly involved know how serious the impact is when payday rolls around without any pay. You know from bitter experience that no one wins a strike.

The Great Falls Mill and Smeltermen's Union, Local No. 16, has publicly stated that the strike was provoked because fourteen men, who refused to perform their assigned work, were terminated and for this reason the Union set up picket lines and closed the Plant putting everyone out of work. Now that issue no longer exists for the Company has stated it will reinstate the fourteen men without penalty. The remaining issues involve only the small furnace crew. This is just an attempt to get preferential treatment for a few at the expense of all. It is not the Company's policy to grant special consideration to any segment of our work force and we will not do so now.

We have made concessions to settle this dispute and we believe the Company's position is fair and equitable. Many things the Union has proposed we have agreed to, but we can't give everything. There is a point where we must stop--not only on wage demands but on others which infringe on management's right and would prevent or penalize us for conducting our operations in a reasonable manner.

The longer the strike goes on the longer it will take to reopen the Plant. Meanwhile, the wage losses continue.

A likelihood exists that toll zinc customers will divert their concentrates to other refineries causing lower production and fewer jobs in Great Falls after the strike has ended. Already seventeen railroad cars of copper anodes have been shipped East for refining and another seventeen cars will go next week. Soon all of our copper production will be going to other Plants for refining.

Exhibit 2. (Continued).

We think labor leaders should be realistic and reasonable--not that they should report to their membership that "progress" is being made and that further meetings are scheduled. Actually, no significant progress was made at the last meeting and regrettably no further meetings are scheduled at the present time.

Naturally, labor leaders want to get what they demand, but there are times when they too must make realistic judgment; times when they should consider the welfare of the entire membership and the outlook for job security tomorrow. This is one of those times.

Like all of you, the Company is hoping for a speedy settlement of this needless strike. Throughout the negotiations we have approached the problem with understanding and goodwill and above all with consideration for what will be the greatest good for the greatest number.

Very truly yours,

L. J. Ingvalson (signed)

L. J. Ingvalson, Manager
THE ANACONDA COMPANY

Source: Great Falls Tribune, January 25, 1964.

1. The Company will take back all 15 ex-employees without discrimination.

2. The Company will agree to meet again with the Union for negotiations on the Shaft Furnace.

The Company accepted and the Union committee agreed to recommend an end to the work stoppage. The Memorandum Agreement dated January 22, 1964, was signed by Mr. Ingvalson on January 29 and by Mr. Kuntz on January 31. The paragraph concerning shifts lost during the stoppage counting toward vacation time was deleted.

Picket lines at the Anaconda Co. plant were withdrawn Wednesday evening and the Great Falls work stoppage that involved 1,300 men is over.

Mooney said the company agreed that there would be no discrimination by the company against any employee because of participation in the work stoppage, or refusal to cross the picket line as a result of such work stoppage which started Jan. 15.

The international union representative also said that the company agreed to get back into negotiations with the union regarding all of the issues in dispute involving the new automated shaft furnace as soon as the plant is back in operation.

Mooney said in view of these commitments by the Anaconda Co. the union negotiating committee felt, and the membership of the local union agreed at a Wednesday evening meeting that the only sensible thing to do is to remove the picket lines and return to work while negotiations continue between the parties in an effort to work out a satisfactory settlement on the issues involving the men assigned to the new shaft furnace.¹²

Mr. Ingvalson made the following statement:¹³

Because of severe damage to equipment in certain areas of the zinc plant caused by lack of adequate shutdown warning, resumption of zinc operations and call back of men will be delayed several days. Men are not to report for work until notified by the personnel department or their supervisors.

¹²Great Falls Tribune, January 30, 1964.

¹³Ibid.

The departments of the plant sent lists of employees they wanted back to work on January 30 to the Personnel Office on the night of the 29th. The men were contacted by phone. The lists were comprised of men with the most departmental seniority.

On each day after the first call back, the Company followed the same sequence. After all the employees had been contacted either by phone or by letter they were considered to have quit if they had not returned to work in 14 days. Their names were then taken off the seniority lists. All the employees who returned were back to work by February 12, 1964. The irony of the dispute was that the instigators of the shutdown were back at their jobs within a few days, whereas, the Zinc Plant employees, who had nothing to gain, were not called back for almost two weeks. This was due to the poor condition of the Zinc Plant caused by an extreme cold spell during the shutdown.

On February 13 the Union filed Grievance No. 64-05 charging the Company with violating Article 7, Section 7 of the collective bargaining agreement in recalling employees to work on and after January 30, 1964.

Article 7, Section 7, read:¹⁴

(a) When it is necessary to curtail the work force in a department or a department subdivision, the employees at the bottom of the applicable seniority list shall be the first to be curtailed. His plant seniority shall then govern as to whether he shall be retained in the plant or curtailed from the plant. The Company will furnish the local Union a list of those employees who are laid off.

¹⁴Agreement, p. 16.

(b) In recalling employees after a curtailment, they shall be recalled as closely as possible in the reverse order to that described in part (a) of this Section, provided they can perform the work available. . . .

The Union contended that the employees were not recalled by plant seniority and therefore were deprived of work and should be compensated in full for this lost time.

The Company rejected the grievance on February 17 contending that at the close of the meeting on January 29 it was agreed to resume full operation as rapidly as possible by calling men back according to department seniority. This was done since the Union men in one department are usually not familiar with jobs in the other departments and therefore are not qualified to perform the work.

A hearing was held involving this case on May 1, 1964, and a decision and award were made on July 31, 1964. Mr. Thomas Tongue, the arbitrator, ruled that the employees should have been recalled to work in order of departmental seniority. However, they were not always recalled in that order. The two parties were to work out details relating to payment of back wages to any employee not recalled in the proper order.

Negotiations After the Shutdown

The first meeting since the signing of the back-to-work agreement was held on February 19. Mr. Clavadetscher reviewed the situation to date. The Union stated that their January 22 proposal was unchanged. The Company stated they had no more to offer in the way of wage concessions. Then a caucus was held where it was proposed to try a different schedule as to starting times and crew makeup.

On February 20 the new proposals were submitted by the Company and discussed. The Union was willing to go along with the proposal, with the following reservations:

1. The trial would be for two weeks only.
2. Union would have the right to go back to the old system at that time.
3. No employee would have to work more than one week in Group 6.
4. No short changes.
5. Union wanted to negotiate all the issues as soon as possible.

The trial run began on February 23.

The twenty-seventh meeting was held on March 6. This was the second week of the trial period. A misunderstanding on recent sabotage of copper tubing on the Shaft Furnace was discussed. Other minor complaints were ironed out.

The Union finally agreed for a one week extension of the trial period. Work was to be done on re-scheduling over the weekend, and a meeting was to be held the first part of the following week on the schedules.

A meeting was held on March 10 to discuss changes in seniority at the Furnace Refinery. The Union committee did not want men with greater seniority on either furnace to hold laboring jobs while men with less seniority operated equipment at a higher pay rate. A discussion was held to determine whether #3 Furnace or the Shaft Furnace would be called the lead furnace.

At a meeting on March 13, the Company presented two sample schedules. They showed how the men would be scheduled if a policy was

adopted of placing men on jobs according to department seniority instead of by the furnace and casting line-up.

The Company requested to extend the trial period. The Union committee refused to extend the trial period. Mr. Mooney stated that the committee had taken the responsibility for the trial period to date, and that they were not willing to take the criticism from the rest of the Union employees any longer. The proposals were shown to the employees on March 17 by the Union.

Clothing issue for the Furnace Refinery and scheduling of the Shaft Furnace were agreed upon on April 25, 1964, and are now in effect. Mr. Ingvalson stated that retroactive pay was ordinarily a matter of final settlement but in this case he agreed to pay the furnacemen retroactive to the start of the Shaft Furnace.

On May 9 seniority problems were discussed on the lead furnace which was the Shaft Furnace. The furnace floor seniority system had been changed to allow furnacemen to work as operators on the floor and vice versa. This had caused some minor irritations among some of the Furnace Refinery men.

The Great Falls Leader, on April 20, 1964, reported that the International Union of Mine, Mill and Smelter Workers planned to begin negotiations soon with the Anaconda Company for a new collective bargaining contract. Notice was sent by the Union to the Federal Mediation and Conciliation Service in Helena on May 19 that no agreement had been reached on the proposed termination or modification of the collective bargaining contract.

A meeting was scheduled by the Company for June 4, in Butte, for the purpose of receiving the Union's demands for the new contract in detail.

On June 9 a meeting was held in Great Falls with the Company and the Union discussing local issues and the Shaft Furnace.

On August 19, 1964, the Company and the Union reached and signed the final agreement (Exhibit 3) concerning the Shaft Furnace. The agreement was included in the three year contract which took effect on July 1, 1964.

Members of the Union in Butte, Great Falls, and East Helena approved the new three year contract with the Company on August 26 by a margin of five to one.¹⁵ In Great Falls the margin was 464 yes and 91 no.

The Company and the Union worked with an unsigned agreement until the present contract was signed on May 14, 1965.¹⁶ "Agreements on technical points and language of the contract caused the delay," said William J. Kelly, an attorney for the giant copper producer."

Summary of the Causes of the Dispute

The main cause of the dispute can be blamed on the rivalry between the Mine, Mill Union and the United Steelworkers Union. The Steelworkers Union was trying to organize the plant during the installation phase of the Shaft Furnace. At that time, the Mine, Mill Union was the sole and

¹⁵Great Falls Tribune, August 26, 1964.

¹⁶Great Falls Tribune, May 15, 1965.

EXHIBIT 3

MEMORANDUM AGREEMENT

THIS MEMORANDUM AGREEMENT, made and entered into this 19th day of August, 1964, by and between THE ANACONDA COMPANY, Great Falls Reduction Department, and GREAT FALLS MILL AND SMELTERMEN'S UNION NO. 16, I.U.M.M. & S.W., WITNESSETH:

That the parties hereto have reached an agreement regarding wages and conditions of the men assigned to operate the Vertical Copper Melting Furnace of the Furnace Refinery Department, and certain items affecting all of the men in the department as hereinafter outlined:

1. Classifications and shift rates agreed upon and now in effect shall be inserted in the wage scale of the collective bargaining agreement.
2. Relief Breaks, Lunch Periods, and Wash-up Time shall be in accordance with Exhibit "A" hereto attached and made a part hereof.
3. Day shift and other shift to be operated by the Vertical Furnace shall be in accordance with Exhibit "B" hereto attached and made a part hereof.
4. Clothing Issue for the men in the Furnace Refinery Department shall be in accordance with Exhibit "C" hereto attached and made a part hereof.
5. Sub-Division, or route, seniority and assignment to jobs shall be in accordance with Exhibit "D" hereto attached and made a part hereof.
6. Crew size, shift schedules, and job duties shall be in accordance with Exhibit "E" hereto attached and made a part hereof.

All terms and conditions of this Memorandum Agreement shall remain in effect until and unless changed by negotiations and agreement between the parties hereto. Either party may by giving 15 days prior notice to the other party open either one or all of the Exhibits for review or proposed changes.

IN WITNESS WHEREOF, the parties hereto have caused this memorandum agreement to be executed by their duly authorized representatives on the day and year first above written.

THE ANACONDA COMPANY
Great Falls Reduction Department

By L. J. Ingvalson /s/

GREAT FALLS MILL AND SMELTERMEN'S
UNION NO. 16, I.U.M.M. & S.W.

By Arthur O. Clausen /s/
Its President

By Gabriel P. Kuntz /s/
Its Secretary

By J. P. Mooney /s/
International Representative

Exhibit 3. (Continued).

EXHIBIT "A"

1. Relief Breaks, Lunch Periods, and Wash-up Time:

- (a) Each employee shall be allowed a relief break of at least 15 minutes during each half of the shift.
- (b) Each employee shall be allowed a lunch period of 30 minutes during each shift.
- (c) The furnace will be shut off at a time to allow men to leave the furnace area approximately 35 minutes before checkout time. This is for the purpose of picking up cards, personal belongings, wash up, etc.
- (d) The practice of allowing employees on certain jobs to rotate and work a given amount of time on the job and take a given amount of time off the job will be continued in the same manner, and with the same amount of time.

EXHIBIT "B"

2. Day Shift and other Shift Schedules:

(a) It is understood and agreed between the parties that the Vertical Copper Melting Furnace supplying No. 2 casting wheel will operate day shift only, except under the following circumstances:

- 1. If production requirements are such that a one shift (day shift) operation cannot meet commitments, then a second shift may be scheduled.
- 2. To make up a shift or shifts of production lost while the furnace is down for cleaning or relining, provided production requirements require it, then an afternoon shift may be scheduled.
- 3. The company may, at its discretion, schedule a second shift in order to avoid working on a holiday, or premium time day, designated in the contract.
- 4. Wherever feasible to do so, the company shall avoid scheduling a short change between shifts.

(b) Day shift shall be the preferred shift on the Shaft Furnace crews, and employees with the greatest seniority shall have preference regarding shift assignments, provided all jobs are filled by qualified men within the job classification.

Exhibit 3. (Continued).

EXHIBIT "C"

3. Clothing Issue for the Furnace Refinery:

- (a) All employees in the Furnace Refinery who have established departmental seniority under the terms of the contract will be issued one pair of standard safety shoes annually, or in lieu thereof given credit in the amount of the cost of the shoes toward a more expensive pair to be purchased from company stock.
- (b) Furnace men and fishermen will be issued "hot mill gloves" on an exchange basis. Also, protective clothing will be made available to these men.
- (c) Clothing seriously damaged, unavoidably by contact with molten metals or fire will be replaced by the company with work clothes of similar type.

EXHIBIT "D"

1. Seniority Application:

- (a) No employee will be required or assigned to work on a labor job while another employee with less department seniority works on a higher rated job, regardless of previous subdivision or "route" seniority. This is intended so that the employees with the most department seniority will be promoted to the higher rated jobs.

EXHIBIT "E" - SHAFT FURNACE WORKING CREW

The following is the labor requirements for direct furnace operations, including charging, pouring, wheel maintenance, launder and ladle maintenance. There are to be only two ladlemen when on one ladle operation. The job classifications, job grades, shift times, and job duties are as follows:

<u>Job Classification</u>	<u>Job Grade</u>	<u>Shift Time</u>
<u>Group No. 1:</u>		
Lift Crane Operator	5	7:30 A.M. to 3:30 P.M.
Charge Operator	4	8:00 A.M. to 4:00 P.M.
<u>Group No. 2:</u>		
Furnace Leadman	9	7:30 A.M. to 3:30 P.M.
Shaft Furnaceman	7	8:00 A.M. to 4:00 P.M.
Relief Furnaceman	5	8:00 A.M. to 4:00 P.M.

Exhibit 3. (Continued).

Exhibit "E" (continued)

<u>Job Classification</u>	<u>Job Grade</u>	<u>Shift Time</u>
<u>Group No. 3:</u>		
Shaft Ladleman	7	7:30 A.M. to 3:30 P.M.
Shaft Ladleman	7	8:00 A.M. to 4:00 P.M.
Shaft Ladleman	7	8:00 A.M. to 4:00 P.M.
<u>Group No. 4:</u>		
Wheel Reliefman	4	7:30 A.M. to 3:30 P.M.
Wheelman	6	8:00 A.M. to 4:00 P.M.
Fisher	4	8:00 A.M. to 4:00 P.M.
Painter	4	8:00 A.M. to 4:00 P.M.
<u>Group No. 5:</u>		
Inspector Leadman	7	8:00 A.M. to 4:00 P.M.
Inspector	4	8:00 A.M. to 4:00 P.M.
Trucker	4	8:00 A.M. to 4:00 P.M.
<u>Group No. 6:</u>		
Craneman	5	8:00 A.M. to 4:00 P.M.
Cranechaser	3	8:00 A.M. to 4:00 P.M.
Conveyorman	3	8:00 A.M. to 4:00 P.M.
Floor Reliefman	3	8:00 A.M. to 4:00 P.M.
<u>Group No. 7:</u>		
Pitman	3	8:00 A.M. to 4:00 P.M.
Pitman	3	8:00 A.M. to 4:00 P.M.
Pitman	3	8:00 A.M. to 4:00 P.M.
<u>Group No. 8:</u>		
Craneman	5	3:30 P.M. to 11:30 P.M.
Utilityman	6	3:30 P.M. to 11:30 P.M.
Cranechaser	3	3:30 P.M. to 11:30 P.M.
<u>Group No. 9:</u>		
Launder-Ladle Repairman	5	11:00 P.M. to 7:00 A.M.

Job duties will continue essentially the same as those presently in effect. It is the understanding of the parties that this agreement is intended to apply to presently existing conditions.

exclusive bargaining agent for the employees. However, there was to be an election on May 15, 1964, to determine which union, if any, would negotiate the new three year contract with the Company.

The United Steelworkers Union was highly favored by the Furnace Refinery and ECR employees. The Zinc Plant employees were most loyal to the Mine, Mill Union.

"A letter from some of us guys at the Furnace Refinery" (Exhibit 4) stated that the Steelworkers Union had no influence on the way they voted when they turned down the Company's offer. This was signed by several of the Furnace Refinery employees and posted on various plant bulletin boards. Seemingly, the organizing agents for the Steelworkers Union thought that they would be able to help their cause by gaining an overall raise for the Shaft Furnace workers. If this could have been accomplished the Steelworkers Union would then have gained support in the Zinc Plant, and probably would be representing the whole plant today.

Throughout the negotiations the Union Representatives and the Union men could not reach agreements. This was due to the support of the Steelworkers Union for the strike. When the strike ended, the bargaining power of the Union fell. However, the Mine, Mill Union gained in popularity with the Zinc Plant employees since these men were quite disgusted with the pro-Steelworker men of the Furnace Refinery.

In 1962 the Mine, Mill Union had defeated the Steelworkers Union for the right to represent the employees of the Great Falls Reduction Department as their exclusive bargaining agent.¹⁷ The vote was 476 votes

¹⁷Great Falls Tribune, April 21, 1962.

EXHIBIT 4

A LETTER FROM SOME OF US GUYS AT THE FURNACE REFINERY

On Friday, May 1, 1964, Mine Mill passed out a leaflet that accused the United Steelworkers of America of influencing the way we voted to turn down the company's offer on the new shaft furnace. The truth is we did not accept the offer because it was what the Mine Mill made us strike over last January. We did not like the offer then and we don't like it now. Why should we vote for something that J. P. Mooney himself said was inferior last January, and he asked then that we strike. May we make ourselves clear and tell you each and every one of us decided which way to vote without the influence of others.

May we go on to say that some of us that sign this letter are supporters of the Mine Mill, and some of us are supporters of the United Steelworkers of America, and we have decided to get together and tell the workers in other departments the truth about the shaft furnace situation.

Also, we would like to say: We in the furnace refinery elected Carroll Ankney as our department negotiating committee; we may not always agree with his decisions, but never the less he has every right in the world to go against or support any offer made by the company, and we have every right to vote on his decisions. We think that it is a very sad state that the rule or ruin type leadership that we have in the international who would so openly blast one of our own elected officers, should even have the right to work for a union.

Last Wednesday night Albert Skinner was in town, and some of us wanted the opportunity to meet our president, so we went down to the Union Hall and tried to get in. We were told that if we were not personally invited we would not get through the door. The doors were kept locked after the affair inside got started.

(Signatures)

for the Mine, Mill, 460 for the Steelworkers, and ten for the International Chemical Workers. There were four challenged ballots. The margin of victory was only one vote since the federal rules required a margin of 50 per cent plus one vote.

In 1951 and 1956 the Steelworkers Union had also been defeated by the Mine, Mill Union. Therefore, it can be seen that there was much rivalry between the two unions. The Steelworkers Union was going all out to defeat the Mine, Mill Union in 1964.

On May 15, 1964, the election was held pitting the Steelworkers Union against the Mine, Mill Union for the fourth time. The final results were 621 votes for the Mine, Mill and 409 votes for the Steelworkers.¹⁸ One vote was void.

Today, the long standing rivalry between the Steelworkers and the Mine, Mill is at an end. The two unions signed a mutual aid and no-raiding pact in Denver on August 26, 1966.¹⁹ The agreement pledges that "each union will respect the existing bargaining certifications and contractual relationships of the other in nonferrous and other industries in the U. S."²⁰ A possible merger may take place by January 1, 1967.

The Mine, Mill Union in 1916 succeeded the Western Federation of Miners which was founded in 1893.²¹ The Mine, Mill Union had around

¹⁸Great Falls Tribune, May 17, 1964.

¹⁹Great Falls Tribune, September 4, 1966.

²⁰"Peace pact opens way to merger," Business Week, September 3, 1966, No. 1931, p. 132.

²¹Ibid.

100,000 members at its peak in the mid-1940s. Since that time it has lost more than half of its members to automation and raids by the Steelworkers and other unions.

In 1950 the Mine, Mill Union was expelled from the CIO for alleged Communist domination.

This summer, the Subversive Control Board threw out a 1962 order that found the union Communist-dominated, and the U. S. Supreme Court overturned convictions of six past and present officers on charges of conspiracy to defraud the government by filing false non-Communist affidavits between 1940 and 1956.

The mutual assistance pact will help strengthen union bargaining power weakened by past competition between the two unions, USW President Abel and Mine, Mill President Albert C. Skinner said at the signing ceremony at a Mine, Mill executive board meeting in Denver.²²

If the above cooperation had taken place earlier, the Company would have had a more difficult time at the negotiation meetings for the Shaft Furnace and probably would have been forced to give an over-all raise to the Shaft Furnace men.

If we disregard the rivalry between the two unions, then the main reasons and causes of the dispute are the following:

1. The Company wanted the Shaft Furnace crew to work approximately one to two hours longer than they worked on the reverberatory furnace for the same amount of pay. This point needs further explanation.

Previously, the men had worked from four and one-half hours to seven hours during the eight-hour shift. They were always paid on the basis of an eight-hour shift since they had to wait until their eight

²²Ibid.

hours were up before they could punch-out on their time cards. The men normally had one or two hours to "kill" after they finished casting for the day. This time was usually spent in the lunchroom. The last half hour was spent washing up or showering.

The men were given two fifteen minute breaks, thirty minutes for lunch, and thirty-five minutes to wash up in during their eight-hour shift on the Shaft Furnace. They were working approximately six and one-half hours per shift as compared to a five-hour average on the old furnace. They were actually performing a day's work for a day's pay on the new furnace. This change was quite radical for the workers who were accustomed to working five hours or less per day.

2. The reduction of the work force from a crew of 29 on the reverberatory furnace to an initial crew of 19 on the Shaft Furnace caused misunderstanding. The Company was too optimistic with their anticipations of cost savings through reduction in manpower. The Union was apprehensive of the loss of further jobs through technological change.

The work force on the Shaft Furnace was finally set at 22 men (during two ladle operation). Four extra men were placed on afternoon or evening shift for wheel, launder, and ladle maintenance. This resulted in a final reduction of three men which was not so drastic as the original ten man reduction.

3. Another cause of the dispute resulted from changes in working conditions other than increased working hours. The men mainly affected were the furnace men and fishermen who worked near the Shaft Furnace. They complained about the heat and noise. Initially, these

men were not provided with proper protective clothing which was necessary. The main disagreement centered around who should be provided this protective clothing. The whole crew wanted additional free clothing.

The final settlement provided protective clothing and gloves for the furnace men and fishermen. Clothing damaged by fire would be replaced and safety shoes were provided for men with established Furnace Refinery seniority.

4. The increase in production per shift caused tension between the Union and the Company. The Company added the Shaft Furnace to keep up in a competitive industry. The Company anticipated future wage increases could be financed by additional profits received from the Shaft Furnace operation. The increase in production of from 30-40 per cent would help pay the added wage costs.

The Union felt that the men operating the Shaft Furnace should be entitled to a pay increase since they were producing more. This would only affect 22 men. The Union was advocating that the people who produce should reap the profits. This is a very poor policy to use when a union is representing a comprehensive collective bargaining unit.

5. Past practice changes presented other problems. The change from using one shift per day to using two per day created seniority problems. These were finally ironed out by filling jobs with qualified men. One overall seniority system was established for the Furnace Refinery. The day shift was called the preferred shift and the Shaft Furnace was called the lead furnace.

6. Union leaders failed to disseminate information to the rank-and-file members. When negotiations reached an impasse Union members were led to believe that progress was being made.

7. The Great Falls Company officials lacked the authority to make decisions on their own. Butte or other Company officials had to be consulted before any changes could be made.

8. Both parties in the dispute did not want to change their original demands or offers. The parties were not actually in negotiations, rather, they were reiterating what they had stated before. This fact can be noticed in the negotiating meetings where the same offers were re-offered time and time again.

The Company did not want to disrupt the entire pay scale of the plant by granting an across-the-board wage increase to the Shaft Furnace crew. Mr. Ingvalson's remarks in his letter to the Manager of Montana Operations for the Company on page 10 of this paper bear out this fact. The Company's higher authorities must have decided to risk the possibility of having further work stoppages, rather than grant a wage increase to the Shaft Furnace crew.

9. The 1962 contract was not specific enough regarding changes in working conditions and wages. The "New Jobs" clause was made more specific in the 1964 contract. Article 4, Section 6, entitled "New Jobs" was changed to read as follows:²³

If, in the future, the Company creates a new job, existing wage rates and wage grades will be extended to such job classification which will be in proper relation to wage rates of

²³Agreement, July 1, 1964, p. 5.

existing job classifications within thirty (30) days after the creation of such job. The Union will be notified in writing of the newly established wage rate. If, within thirty (30) days thereafter, the Union disagrees with the rate established, the Company and the Union will enter into negotiations for the purpose of establishing the rate. Wage rates for newly created jobs may be the subject of arbitration. Wage rates hereby established will be retroactive.

Any experimental project operating over ninety (90) days shall be subject to rate establishment as provided in this section.

With this section changed, some of the difficulties encountered in the Shaft Furnace negotiations need not be repeated in the future.

Conclusions and Recommendations

This case is a very good example of the problems that can arise when a technological improvement replaces a long established method of doing some type of job.

The Company added the Shaft Furnace to keep up in a competitive industry. The Union wanted a share of these added profits for 22 of their men.

The strike was not violent in any way. The only incident concerning picket behavior was the accusation by the Company of Union men drinking and partying at the picket line on the county road leading to the plant.

The economic losses caused by the strike affected the Company, the employees, and the local community. Some men were without paychecks for over a month. The Company lost valuable production during a time of rising demand for copper and zinc. The Company incurred added expenses when copper anodes and zinc concentrates were diverted to other

company locations. There was also the high cost of re-opening the operations and bringing them up to previous efficiencies. The purpose of this paper is not to castigate strikes; however, I do not believe this one accomplished anything for either side. Before the strike occurred, both parties were in negotiations over the Shaft Furnace. After the strike was over both parties agreed to resume negotiations.

The U. S. Department of Labor Stoppage Report was filled out by the Company on February 3, 1964. The major issues in the dispute were listed as follows: "Wages and working conditions in one Department employing 22 men." Twelve hundred and fifty workers were listed as being unemployed from January 15, 1964, to January 29, 1964.

The main points settled during the negotiations were as follows:

1. The Shaft Furnace crew was increased from 19 men to 22 men during two ladle operation. One less man is needed when operating only one ladle. Four extra men were placed on afternoon or evening shift to take care of wheel, launder, and ladle maintenance. This resulted in a reduction of three less men than was previously required on the reverberatory furnace.

2. Job grades were increased if warranted. Six floormen were raised one grade above laborer grade. The three ladlemen were given two grade increases. The furnaceman and furnace leadman were also given two grade increases. Eleven men, or half of the crew, were given grade increases of one or two grades.

3. Shift times were established. All of the shifts were still eight hours long. However, the men were required to work more hours than before.

4. Protective clothing was furnished the furnace men and fishermen. Clothes destroyed by fire were replaced. Safety shoes were provided to all men with established seniority in the Furnace Refinery.

5. The seniority system was changed to insure that the employees with the most department seniority were promoted to the higher rated jobs. They must be qualified to perform the job, however. Before this change occurred, there had been a sub-division seniority system.

6. The Company was allowed to schedule additional shifts on the Shaft Furnace. This changed the past practice policy followed on the reverberatory furnace. The Company can schedule a second shift if additional production requirements are needed. An afternoon shift may be scheduled to make up for a lost day shift or to schedule around a holiday or premium time day. The day shift was called the preferred shift for seniority preference.

The vague "New Jobs" section of the 1962 contract was strengthened considerably in the 1964 contract. The old contract clause stated that the duties and rates of pay for the new job should be the subject of negotiation between the parties. The new contract clause states that the Company will use existing wage rates that are appropriate for the new job. These rates will be established within 30 days after the creation of the new job or within 90 days for experimental projects. The Union will be notified in writing about the new rates. If the Union disagrees with the rates they become the subject of negotiations and may be established by arbitration.

The strike would probably have been avoided if: (1) the Company had researched the job classifications to a finer degree, i.e., they

should not have been so greedy with the initial placement of men on the Shaft Furnace; (2) the Union had not tried to receive pay increases for all members of the crew; (3) the Steelworkers Union had not been agitating the men; and (4) the two parties had actually tried to negotiate their differences instead of standing firm on their proposals.

Some recommendations for the future are:

1. The Company and the Union must recognize that technological change and automation are a fact of life. The Company must strive to increase the efficiency of their work force and production processes if they are to remain competitive. The Company must retain these added profits to meet the wage increases and fringe benefits that are bound to come.

The Union should understand the fact that if the men are to receive a higher wage they must increase their productivity. This will not be accomplished until the archaic quota standards used by the Anaconda Company are eliminated.

2. The Union and Company must rely more on their local officials. This means that the Anaconda Company should strengthen their decentralized plants by allowing their local officials to make more of their own decisions instead of relying on the central office's decisions.

The Union should try to become closer knit with the rank-and-file members through better cooperation with the Union's locals. If the Union is to represent the members it should be aware of what the majority of the men want, and not what one segment wants.

Today the Shaft Furnace is an integral part of the operations at the Great Falls Reduction Department of the Anaconda Company. The

original potential of the Shaft Furnace is now being achieved since the Shaft Furnace has reduced labor costs significantly by increasing production per man day. Occasionally problems arise, however they have been of a minor nature.

Other technological changes have been added at the Great Falls Reduction Department since the Shaft Furnace dispute was resolved. They have achieved operational status with very few problems.

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