

C. Memorandum of Recent
Negotiating Meetings,
April 17 and 25, 1968

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The File

June 6, 1968

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DJ 170-57-5
#34-035-18

United States v. IBEW, Local 38, et al.
Cleveland, Ohio

This is an addendum to my memorandum of June 5, 1968, describing the negotiation meeting between us and the Local 38 on April 25, 1968.

With respect to the referral system, there was one additional proposal by the defendants. That was to commence a "summer work program" that would be primarily addressed to students going to college. It would allow them to be referred out of the hiring hall during the summer months (June 1 - September 15) provided they committed themselves to leaving the job at the end of the summer. This is similar to a program that had operated in the past, then it was only confined to friends and relatives of union members. This program is sponsored by the International.

This program would dispense with the experience requirement. However, we thought it inadequate because it would require those who might be referred out during the summer to give up their job in September. This, of course, would provide no hardship for the college student but for the Negroes in the ghetto this aspect of it would impose some hardship. The defendants were unwilling to modify it so as to run it on a year-round basis.

cc: Pollak
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Ellis
Trial File (Central)

The File

June 5, 1968

ADW:asd

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Negotiation Meeting of April 25, 1968
between the parties in U. S. v. IBEW,
Local 38, et al.

On April 25, 1968, the parties to this litigation met again to discuss possibility of settling this law suit without trial. The following persons were present at that meeting:

1. Thurlow Smoot, attorney for the defendant
2. John Gilbert Steele, president of Local 38 and chairman of its JAC
3. Richard Acton, business manager of Local 38
4. Bert Jirovec, secretary of the JAC
5. Marcus Loftis, international representative of the IBEW
6. Robert L. McIntyre, representative of the National JAC
7. David Perleman, law clerk to Judge Green
8. Owen M. Fiss, attorney, Department of Justice
9. Arthur D. Wolf, attorney, Department of Justice

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Trial File

With regard to the ^{five} ~~four~~ principle areas of dispute, the defendants took the following positions:

1. Admission of Negro Journeymen: Defendant union refused again to admit qualified Negroes directly into membership as journeymen.
2. Form of a Settlement: The defendants are still not willing to settle this litigation with a consent decree. They prefer a stipulation of dismissal with a statement of policy as was done in the St. Louis case.
3. Apprentice Program: The defendant JAC refused again to develop a system of selection which would be promised on an allocation of points for the various selection factors. It would, however, indicate its willingness to work with the Workers Defense League to prepare Negro youths to pass the entrance requirements for the apprenticeship program. It expressed its willingness to give mock interviews to the Negroes prior to the actual interviews to make them less nervous at the actual interview.
4. Affiliation of Negro Contractors: The union proposed that only two requirements be imposed for the affiliation of Negro contractors under the collective bargaining agreement: (a) an electrical contractor's license from the city of Cleveland, and (b) a \$1,000 bond for each employee. The union abandoned its previous requirements for letters of credit and satisfactory evidence of financial stability.
5. The Referral System: The union proposes the following modifications of its referral system. The Group I requirement of four years' experience under the collective bargaining agreement would be reduced to one year of the last four years. The previous requirements of four years electrical construction experience, of residency, and of passing a journeymen-wireman's examination to be maintained.

The Group II requirements would remain the same: four years electrical construction experience and passing a journeyman-wireman examination. The Group III requirement of four years electrical construction experience would be reduced to two years, and the requirement of four years experience under the collective bargaining agreement would be reduced to six months of the last three years. The Group IV requirements would remain the same. The Group V requirements of two years electrical construction experience would be reduced to one year of experience. It is to be noted that the modified referral system it is exactly the same system which Union on August 6, 1958. Most locals adopted that system; local 38 was one of a handful of locals which, in 1958, imposed the most stringent requirements which they now agree to abandon.

With regard to the test required for admission into Group I and Group II, the union indicated that it would develop an examination with the contractors which would not be as difficult as the test given to fourth year apprentices. It would be designed to test the ability and knowledge of men who have been away from the trade for a number of years and have been away from the books. Finally, the union indicated its willingness to develop a referral program for minority electricians in line with the suggestions made by International President, Gordon Freeman in his letters of March 18 and April 11, 1968 to N. B. Johnson, National Director of the Labor Education Advancement Program. That program calls for the establishment of a tripartite committee composed of representatives from the local union, the contractors and minority group organizations to recruit qualified electrical workers from the "minority races."

Mr. McIntyre, Assistant Director of the National JAC, spent a substantial portion of the meeting discussing the nature and use of the national apprenticeship selection procedures. This is the program which we

rejected during negotiations last summer and which the Cleveland JAC then used in August 1968 for the selection of apprentices. The Cleveland JAC acknowledged, as Mr. McIntyre described the system, that it had not followed the procedures as it should have. He also questioned Mr. McIntyre on the objectivity and reviewability of these procedures. Mr. McIntyre insisted that the procedures meet those standards. However, he conceded that the last portion of the selection process dealing with personal traits, attitude, and interest, involves subjective determinations. He stated that the JACs reserved the right to reject the applicant solely on the basis of his interest, attitude, or personal traits. However, if that is done, each interviewer and the JAC as a whole, must indicate its reasons for rejection on that basis alone. Although he said he could not speak for the National JAC, Mr. McIntyre said that he personally was opposed to keeping a summary of the reasons why a given interviewer or the entire JAC gave a particular final grade to a specific applicant. He thought that such summaries would be too burdensome and not necessary because, in the scoring on the subjective part, reasons were supposed to be stated for any given evaluation. Mr. McIntyre also expressed his opposition to the presence of an independent person with the right to vote on the JAC.

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U.S. v. IBW Local 38
Cleveland, Ohio

T. 4/24/68

ONF:sec

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#34-335-13

On April 17, 1968, we met with representatives of the defendants and the law clerk of Judge Green and once again discussed settlement. We are planning to meet again tomorrow, April 25, and I thought it would be useful to state for you what I think the defendants' best offer might be.

A. Contractors

1. The Union was prepared to establish a set of criteria that would be both the necessary and sufficient conditions for affiliation with the local. These conditions would be as follows:

a) A Payroll Bond. The amount was not agreed upon, but it will probably be about \$5,000.

b) City of Cleveland Electrical License. They also stated that if the contractor passed away, they would not impose this requirement on the successor until he had a reasonable opportunity to apply for a license.

cc: Records
Chrono

Fiss ✓

c) Workmen's compensation.

d) They would like some proof of credit. What they were probably talking about was obtaining letters from about three wholesale houses that would indicate that the contractor's past credit rating was good or that they were prepared to extend him credit in the future. We understand from the defendants that there should be no problem of obtaining such letters since the wholesale houses are generally interested in opening new accounts.

e) Proof of financial status. The defendants said that they were primarily interested in insuring that the contractor had enough liquid assets (i.e., cash) to cover at least one month's payroll. That would be about \$2500, although it would vary depending on the number of employees. They also stated that they would want to have some indication that this person had some net worth. I don't fully understand the basis of this requirement, and it is conceivable that we could negotiate it away.

2. The defendants were prepared to write a letter to all the Negro contractors and electricians in Cleveland advising them of these conditions and assuring them that there would be no discrimination on the basis of race in applying these conditions. I think we could supply them with a list of all the Negro license electricians in Cleveland without much difficulty, and we have in fact given them a list at least once before.

3. With respect to the employees of the Negro contractors, who are invariably Negroes, it was somewhat

difficult to get the Union to take a position on them. They did say, however, "That they would take care of them." I think this means for the Union that they would allow them to continue working for the contractors as long as we want them to. If there came a slack time and layoff was necessary, they would be able to be referred out under the referral system; probably under Category 3. We would probably want Union membership for these men and probably some higher status in the referral system.

B. Journeyman

We have taken the position in this litigation that the Union should open the door to journeyman membership to Negroes. We recognize their policy which has existed for the last ten years of only taking people through the apprenticeship program; but we insist upon journeyman status for Negroes who are too old for the apprenticeship program because of the discriminatory practices of the apprenticeship program in the past. This has always been a principal stumbling block for settlement. The most that we could expect from them is that they would offer membership to certain named Negroes who we claimed have been discriminated against, provided they have certain experience (four years) and passed journeyman, wireman tests. However, it is not even clear to me that they would make that offer. Their intransigence on this point in parts stems from the announcement of the law clerk in course of the negotiations that the Judge would probably never grant this relief after trial. To the Judge the relief of these Negroes should be through the referral system. The major goal is to provide economic opportunity for Negroes and that is provided by the referral system regardless of their membership in the Union.

C. The Apprenticeship Program

The one significant breakthrough at the last negotiation meeting was the willingness of the defendants to consider some system of allocation points in the apprenticeship program. They asked for a week to consider it and discuss the matter with the International, but I think they will come back with a commitment to so modify the International plan as to commit an allocation. They wish to have an allocation of 25% for the subjective factors and 75% for the objective factors, such as education and testing. They would probably also agree upon written formulas for the subjective evaluation. I indicated that we might consider such an evaluation of points if one of the evaluators was an independent person not connected with either the contractors or the Union.

D. The Referral System

With respect to the referral system, the defendants are now prepared to do three things:

- a) Operate the referral system as prescribed in the collective agreement (they seem to be doing that now);
- b) Give the examination required for group one and two status to all who desire it and are qualified to take it; and
- c) Drop the requirement for group one status that the individual have four years of experience under the collective agreement for those Negroes who we named as victims of discrimination.

They are not prepared to:

- a) Eliminate any experience requirement for Negroes for positions for group three or group four status;
- b) Modify the four years experience requirement for group one; and
- c) Drop the four years of collective bargaining agreement experience requirement for Negroes other than those who are specifically named.

F. Consent Decree

Apparently, the Union is not prepared to sign a consent decree because of the potential exercise of the contempt power. I think that they will be rather adamant in this position in that when I announced the position of the Department, the law clerk responded that he believes that this difference in the form of the settlement can be resolved by a telephone call by the Judge to Washington. However, it is still conceivable that they would consent to a consent decree if the Judge gave them enough assurance of the ~~un~~likelihood of using the contempt power.