

TAPE NUMBER: II, SIDE TWO

JULY 21, 1989

CONNORS: You became editor of The Propeller in what year was that? 1950?

SCHRADE: Nineteen forty-eight. I became a committeeman maybe just a couple of months before that, and I think I said last time that Gene Judd, who was on the national aircraft organizing staff carrying on the organizing drive?-- The international really had an impressive group in organizing. Some six or seven thousand members were signed up during early that year. I was a creation of that; I joined during that drive. So when I became committeeman, Judd recruited me to take over the paper, because the staff was moving out and we were going to be running everything ourselves. So I became a newspaper editor, which I had never been before. I'd written letters to the editor back in my hometown and did some writing in school, but nothing as a journalist.

CONNORS: Did you take on this task with a certain amount of fear and loathing or--?

SCHRADE: No, these kind of things were very interesting to me. And again, the first few issues, Judd would work with me. He taught me layout and what to do at the print shop, and it's just another skill that I was learning during that period. And besides, it became a real instrument of our

politics in the local of taking on the company when the Parkos administration would not, because I had editorial control and was working with Lew Stowe. So we were able to affect the membership. It was very difficult for Parkos to come down and say, "Well, you shouldn't be attacking the company in this way, and you shouldn't be raising these kinds of issues in The Propeller", because it would put him in a kind of an antiunion position, and he was not willing to do that. It became a source of contention. In fact, I was fired as editor of the paper at a secret meeting of the local executive board one night. Fortunately, we had some representatives on the board. I found out about it right away. So they sent a telegram to the printer saying I was no longer the editor. They assigned a guy named A/C. Miller to edit the paper. We moved for membership rejection of the board's action and took them on at the membership meeting, and the membership put me back to work a couple weeks later as the editor of the paper.

CONNORS: Well, was the issue there that you were too vigorous in your anticompany stance?

SCHRADE: That was part of it, as well as they could see that this had become a serious political advantage to us. We could promote our people, even though we tried to do it in a legitimate way. And I've gone back over issues out of Red Aston's library just recently and could see that I was

treating both political groups fairly. Parkos had his own column in there, although it was written by Don Anderson, and so he was not being criticized and he had space in the paper. We opened the paper up to anybody who wanted to do departmental columns and so forth. So we were not being blatantly political with it, but we could advance issues and our people in a very constructive way. But they recognized that. And the company was constantly criticizing it through Parkos, too, and O'Halleran. So they became sort of agents of the company at this point to try to chill The Propeller. But they didn't get away with it. The company complained for years about the newspaper.

I even remember one point in bargaining, [Eugene D.] Starkweather said, "The problem with The Propeller is that it doesn't tell the truth all the time." I said, "Well, look, we're open to correction. You know that we'll correct anything. We have corrected some things in the past." And I said, "Besides, what about The Skywriter?-- which was the company paper--and he says, "We never lie" and took this very arrogant position. And I slid a copy of The Skywriter down the table at him and said, "Take a look at that picture." It was the 1953 Family Day at North American, and we intruded on it. And he says, "What's wrong with it? It shows a family in the factory looking at airplanes." I said, "Look at the balloons." He said,

3/82

"What's wrong with the balloons?" I said, "They've got no lettering on them." I said, "Those are our balloons that we had severance pay slogans and union shop slogans on and so forth." [laughter]

CONNORS: Well, that jumps ahead, but let's talk about that, because it has to do a lot with what might be called the corporate culture of North American Aircraft and the way the union stood in relation to that. So this is '53, and by this time, you're the president of the union, and we'll go back and forth here in time. But if I understand it correctly, the company had a family day picnic or some kind of outing. Was this a yearly thing?

SCHRADE: No, in a way it was their method of getting a certain loyalty, because they could see that the 1952-53 period was a very crucial one, because we had won, in a wage arbitration decision in a Truman panel, the very principle that workers had been fighting for in the aircraft industry right from the early days, and that is pay equity equal to other industrial workers in the country, where aircraft workers had always been paid at a much lower rate, even though most of the work was of a higher skill and dealing with more important technology. So they were doing their public relations thing with families: <sup>u</sup> "A family day, you're part of this company", and so forth, and it was leading into the '53 strike. So they

were doing their best to establish this relationship, this bonding with the North American Aviation families. And so we decided to compete with them. What we did, at the gates we set up a hillbilly band on a hayrick, we put out balloons to kids, we had clowns, we had fairly modest leaflets about our program, we had balloons with all of our slogans on what we were going to be fighting for in the '53 negotiations, and this just bothered the hell out of them. They sent the guards out to try to get us off. We were on public property, and we insisted on our right to be there. So here was the plant which they had set up for this big family day, and here were all these balloons all over the place with all of our slogans on them and these kids loving them. So we just took it over.

CONNORS: So in the picture that you referred to in The Skywriter, they showed the kids with balloons, but they had airbrushed out--?

SCHRADE: They had airbrushed out the slogans.

Anyway, the culture. I've said this before and that's that the Aircraft Industry Association, which had combined a corporate thing in Southern California along with government partnership usually-- But in the North American Aviation management, we also had the General Motors approach to bargaining, which was "contain the union, fight hard, keep the union under control" and so forth, led by

Eugene D. Starkweather and Clayton C. Cole, who came out of the Saginaw, Michigan plant of General Motors. This is not only because North American Aviation wanted this kind of policy, which had been generally paternalistic, but General Motors had control of North American Aviation at one point and there was a big antitrust thing going on in the late forties under Truman that broke up this General Motors game. So we had this kind of really strong flavor of General Motors hardline, antiunion policy recognizing the union but constantly fighting against it and taking every advantage against the UAW.

CONNORS: Starkweather headed that up, that effort, as the industrial relations man that he was.

SCHRADE: Yeah, yeah. A really tough guy.

CONNORS: Had he been at that for a long time at North American by this period that we're talking about--1950?

SCHRADE: Not too long. Late forties, I think.

CONNORS: So it must have been a postwar rethinking on the part of North American to get some people in there who were going to be real hardhitters.

SCHRADE: Yeah, yeah, right. And they were. Because during the '49 political campaign going into the delegate election for the international convention, I got into a fracas as committeeman, along with a steward in our zone, E.I. Pitkanen, with a superintendent of the department. I

FINO

3/4/5

was defiant at that point about certain orders he put down on us. And although we went along with his decision, the company, Clayton [redacted], who was the number two guy in this operation, he and company guards came down and gave me a warning notice which amounted to ninety demerits and six days off for being insubordinate. So I was out of the plant during the six-day period prior to the delegate's election, which gave me a political advantage, because I spent all that time helping our slate get elected. But I think it was all part of that, as the company always intruded in our politics, favoring Parkos and his ability to move around the plant and campaign and so forth, as against restrictions on us.

CONNORS: So they would issue demerits to workers just as a-- Did these become points of grievance?

SCHRADE: Oh, sure. Yeah. There was a system fifty-one rules, and you would get like thirty demerits for smoking on the job, which meant a day off. Anything over twenty-five meant a day off. Fifty made probably two or three days off, and 100 meant discharge. And those demerits would pile up on you. You could be tardy or absent three times in a thirty-day period and pick up demerits, and you could not work those off except over a long probationary period. So it was a very difficult system. We finally fought the smoking rule and got that

eliminated as part of the bargaining process, because too many people were getting docked a day's pay for getting caught smoking, when we know smoking is an addiction. People couldn't avoid it. They had all kinds of guard activity. They would sneak into restrooms and catch people smoking, ride their bicycles in, "You're under arrest. You're guilty of smoking. A day off." So it was a tough system. But again, it was a good organizing tool for us, to organize against the rules, against the demerit system, against this discipline. And of course we would file grievances for people who got time off, and we would file against demerits in order to prove somebody innocent and to try to keep those records clear. And finally, if somebody got discharged, to file a grievance. So it became a matter of grievance arbitration, a heavy, heavy load on the union all the time.

CONNORS: We started this whole thing talking about the 1949 contract, and what we were aiming at, I think, was discussing the elimination of the merit raise system and the establishment of automatic progression. So I'd like to talk about that a little bit. So the merit raise system was a kind of a favoritism system, as I understand it.

SCHRADE: Sure. People were given merit review sheets where the supervisor would score you on quality of work, efficiency, production, attendance, attitudes, all those



kinds of things. And if you got a certain number of points beyond what you had sixteen weeks before on that review, you could get a merit increase. And that's the only way that you could go from the minimum pay rate of the classification to the maximum. And uh, this was part of the whole Southern California Aircraft Industry Association [SCAI]'s wage plan, which meant that an assembler job-- In the earliest days, there was an A assembler, B assembler, C assembler, D, E, and sometimes even more, and they would bring people on these very, very low rates, and you could only progress up to the maximum of C, for instance, on a merit increase.

CONNORS: Now, this was a classification system that was devised during World War II?

SCHRADE: During the war, with the government involved.

CONNORS: And with machinist's involvement, too, I believe.

SCHRADE: Yeah, machinist's union, yeah.

CONNORS: I believe the machinists got in there and proposed a lot of this themselves, and the UAW pretty much stayed away from it because it was obnoxious.

SCHRADE: Yeah, it was obnoxious and a way to keep wages down and was used that way. So if you got to the top of the Cs through a merit review, then it took a promotional decision by the management to get you to the minimum of the B classification, and then merit raises up to the top of

3/88

the B. And we always argued that there wasn't that much difference between a C and a B, and we argued on those job descriptions, we argued that there was not that much difference between the B and the A, and we would try to get the companies to define this, and they wouldn't do it. They would always wind up with this wonderful fuzzy language so a person couldn't really challenge the company saying, "I'm an A rather than a B," or "I'm a B rather than a C." So the grievance procedure was loaded with all these discipline questions those fifty-one rules and demerit system; a lot of grievances over job classification. On the merit review system, I recently read a report on the negotiations in 1948. The company said, "Well, look, people are happy with the merit review system. We've only got one grievance against the merit review system all in the past year since the last contract." So we then made a strategic decision to do something about that, because we knew people were unhappy with this. ~~It~~ it was really a system of favoritism. As long as you were in good you could get a merit increase. So a lot of good people were being denied wage increases as a result of this.

So we began doing this, and we began educating the membership on the merit review system, and they began educating us on it, because they brought up all kinds of problems, and we began filing grievances. The real break

came when, in 1949, I intercepted a memorandum from the superintendent of my department, experimental department, Jerry Loring, to all the supervisors in the department. And that memorandum--it's published, we published it in The Propeller--said something like this: <sup>#3</sup> <sup>11</sup> The average score on merit reviews is sixty-five plantwide, and in the experimental department it's eighty-eight. I want you to do something about that on the next review period." So here we had a wonderful document saying what we had been saying: <sup>\*\*</sup> that this was not an objective scoring system on the merit of the employee, but here was a political decision being made by the superintendent, knocking down people.

So we sat on that and we waited until the next review period. And sure enough, the pattern of merit increases was such that most people did not get merit increases. And Loring's impact, the impact of the memorandum, was really devastating, and people were really pissed. So we began raising this. We filed grievances on behalf of everybody who didn't get a wage increase. There were hundreds of grievances. So we established a new thing with the company. Now, here were a lot of grievances. And we also found out that the average score was not sixty-five for the plant, but it was something like eighty-two or eighty-three, and the score for the experimental department was

eighty-eight. And that differential was explainable because there was higher-skilled work. You had better mechanics working all this experimental work for the company.

So we filed these grievances. The company went out of its head over filing all these grievances. "One grievance will do!" We hadn't really put out this information that we had this memorandum, so we said, "Now this is a serious problem. You raised the issue and said there are no grievances. You were going to say there's only one grievance, and there are hundreds of people involved in this effort by the company to subvert the merit review system." So we finally got to the second step of the grievance procedure. Grievances were denied in the department by the supervision. We got into there and we had this stack of grievances in front of us. We were really happy about this. We didn't think they would be granted. So we explained that the supervision had been instructed to do something about this, and this was really a conspiracy on the part of the superintendent to get cheaper pay rates in the department. They said, "Well, you don't have any proof of that." Well, we just laid this memorandum down in front of John Stewart, who was the assistant director of labor relations at the time. He blanched and got up out of his chair, left the room with

the memo, and he said, "I'd like to make a copy of this." We said, "Make as many as you want. Just give us back that copy." And he says, "I will." He left and was gone for a long time. He came back and he says, "Well, we've made a decision not to say anything at this point. We want to study this." And a matter of weeks later they called us back in and said, "Look, we're going to grant grievances and we're going to rescore everybody in the department that did not get a merit increase." And practically everybody got it as a result of rescoring, and supervision was allowed to use the system again. And practically everybody got wage increases, which was wonderful. We made a hit on the merit review system altogether and got a lot of wonderful support for the membership as a result of our activity on this.

So it was the thing that broke the back of the merit review system. So we were able to go into negotiations next time with this. And the company was really embarrassed by this at this point, because we had shown they'd subverted the merit review system, that people were being mistreated by it and--

CONNORS: That it was, in fact, favoritism.

SCHRADE: Yeah. It was a real victory for us, and it became one of the reasons why we kept analyzing the whole wage system at North American. I think in '49 we also got

592

a job evaluation committee from the union to sit down with the company during the contract to begin dealing with some of the other problems of the wage system. And that became our primary goal, because through the war the unions had not been able to do very much about this. And then, during the slide downward after the war, the unions were too weak to deal with it, and we were on this roll of building membership through organizing and becoming more militant, becoming part of the Reuther administration kind of approach to the union. So we began really setting our sights of going after this wage system and making a major reform in it. And I think our hit on the merit review system started the ball rolling.

CONNORS: Yeah, the other companies, Douglas and Boeing [Company], I suppose, would have to follow suit. No, Boeing would have been IAM, so maybe it was a different set-up.

SCHRADE: Yeah. I don't know when they followed, but they were sometimes slow in doing that. We began leading at that point. We felt the machinist's union was more conservative and not as strong, particularly against the wage system, that we had to get out into this kind of leadership position to bring them along. Besides, we were in this competitive situation. But I don't know if it was '49 or '50 that Reuther finally decided that this was a

Setup =  
one was

Q. can you  
give him  
for whom?  
waste of time and effort, divisive inside the trade union movement, not just between the IAM and the UAW, but other unions taking sides in this, that we ought to end that. I think it was during the Al Hayes administration that Reuther and Hayes got together and worked out a mutual support and no raid pact. O'Halleran wasn't too much in favor of that, and I don't think [John] Livingston, [William] Kircher, and [Paul] Russo, for the national aircraft department people that were working with us were, because they were really intensely involved in that competition. But we, again, decided that we were going to make this thing work. And I went over, I think in '49 or '50--it may have been '50 or '51--to meet with John Snider, who was really a very good leader in the IAM, lodge 727, I guess it was.

CONNORS: That would be Lockheed [Corporation]. #

SCHRADE: Lockheed, Burbank. Big lodge and well run, and I had a lot of respect for John. I went up to him and I said, "I'm only here to deliver a copy of our contract. We have never had a copy of yours, and we've never given you one of ours, and at least let's start there." And it was a good approach, because at that point John says, "Yeah, this is bullshit what we've been doing. Let's get together." And we began building kind of a coordinated effort that way.

2294

CONNORS: That's interesting, because in some of these other accounts of this period that I've been getting, you just have an across the board story of IAM that was just phoney. "We never went along with them on any of this stuff."

SCHRADE: Yeah, well, the Grand Lodge people really played fast and loose with the membership at times. There's one incident I remember where one of the Grand Lodge reps was working-- We were working coordinated bargaining at the Biltmore Hotel, downtown L.A., and the two Douglas lodges were there meeting on their contract with the management separately, because Douglas wouldn't meet with them together. We were meeting with the North American Aviation management there, and we would coordinate within the hotel. And at one point, the Grand Lodge rep came to us and said, "Well, I've just talked to the people at Santa Monica, the lodge at Santa Monica, and I told them that the lodge at El Segundo, Douglas, had just bought the contract and they had no choice in the matter." So they bought it. And then I went to the Douglas El Segundo people and told them kind of ~~that~~ And neither one of them <sup>knows</sup> You know, it was just this kind of flimflaming that was going on. So our efforts were to try not only to maintain a decent relationship with the vice president of the union in the west for the machinists, but also directly with the lodges

Q  
What if I  
pull

(they had it)

~~that~~  
there that  
in Santa  
Monica  
lodge had  
bought the contract  
and now they had no choice"



so that we had some sense of where they were at, how militant they were, whether they would cooperate, whether they would back off for us, or whether they would be taking a dive and selling out or agreeing to something they shouldn't have before we really had a chance to take on North American. So it was an interesting kind of poker game that was constantly going on in the machinists. But it became a lot better during the fifties and sixties.

CONNOR: I wanted to get to the demise of E. E. Parkos. You said in 1949 he won again, was it by seven votes?

SCHRADE: Seven votes against Lew Stowe, who was our candidate for Blue Slate, yeah.

CONNORS: And so then the next year, in 1950, he lost.

SCHRADE: He lost to Lou King, a very popular guy out of what was called Pacific Aviation. It was this high-skilled machine shop group away from the main plant, a mile or so away. And he won with our support. We had built a stronger and stronger caucus as a result of our-- We had some victories on the board in 1949, even though Stowe didn't win president. But then we won most of the delegations at convention later in '49, so we were building. So we swept in 1950 with King.

CONNORS: And so then in '51, you ran and won.

SCHRADE: Yeah. King didn't want to run again. He didn't like the intensity of the work, because we were really



Michener or Bioletti who had been really anti-Reuther, part of the old CP faction, and so forth. And we just held firm for a long time, and it finally got worked out. "Well, look, we will make an effort to come in and change the policies in the region. We'll take on O'Halleran and some of the things you're complaining about. We'll integrate the staff and bring some of your people on and so forth." And it was finally agreed upon to do that, and we would break the majority which was for Bioletti.

Reuther had a particular problem with Bioletti because of strong personal attacks Bioletti had made against him and his family in the early days. So there was a very tough-- And Bioletti was our candidate at that point even though Stinson wanted to be a candidate, and Maynard, who were sort of the right-wing early Reuther supporters. So we finally decided to go along with Reuthers agreement to reform the region and the staff and so forth, because we were under attack constantly from the staff and from O'Halleran. He kept moving into the local, spending a lot of money, sending staff members in on politics, and we were getting a little tired of that. So we agreed.

And then we made a major mistake: we agreed to abstain from voting to break the majority <sup>against O'Halleran.</sup> So this really alienated a lot of the people in the old left from us, even though we weren't that tight with them at that point,

27 98

because this is sort of a majority caucus of convenience because we were negative on O'Halleran. We weren't all that great for Biglatti and programs. So we were constantly under attack after that for being the great abstainers and not getting rid of O'Halleran. So as a result of that, Lew Stowe then became a member of the National Aircraft staff, Stinson went on the staff, and I think he finally became assistant director to O'Halleran. So we sort of infiltrated and integrated the staff of the region expecting to get a little better treatment in bargaining and organizing as a result of this, less political attacks and so forth.

Well, Lew was going out on assignment and had been up all night and was driving through and fell asleep at the wheel and crashed and died. It was really a very horrible thing for us because he was our key guy.

CONNORS: A terrible loss.

SCHRADE: And I knew the family fairly well. So I went back with the body to South Carolina, near Gastonia [North Carolina] and spent time there with the family. My first time in the deep South. And I was pretty well accepted by their families back there because it was a very sad time for them, because Lew had really made it. He was an international rep in the UAW and so forth. And finally one night, the kids and I were staying in a hotel. We were

Q. *is it possible his name?*  
there for the final evening at dinner, and the guy in the house there--I think it was Lew's brother-in-law--he said, "Paul, we've really gotten to like you very much, and we appreciate what you've done for the family." He said, "We know you're a union man and you're German descent, so you're probably a communist, and you're a yankee, but we want you to know we like you anyway." It was kind of a nice thing to know that there's some decency in the people who are most likely racist and antiunion. But anyway, Lew's death was a terrible blow to us politically.

And at that time, too, another guy died, Oskar Baudisch, who had been my mentor. He'd been out here working at the Scripps Institute analyzing seawater, and they found him drowned on the beach one night. He always like to walk on the beach. I don't know what really happened, and it was never really determined. So in a way, he was disappointed that I had taken up union work rather than following in his footsteps, where we were so close together, working together at the lab at Saratoga. So that was another thing that-- It was a really bad time for me.

CONNORS: That convention that you were speaking about, that was the UAW national convention?

SCHRADE: Yeah.

CONNORS: Where was that held that year?

SCHRADE: Milwaukee.

CONNORS: Milwaukee.

SCHRADE: Yeah, ~~that's~~ <sup>that's</sup> where I first met the Conway family. too. Jack and Laverne [Conway] and the kids were there. Jack was in this meeting along with Livingston and Reuther. Jack had become Reuther's administrative assistant in 1946, when Reuther first became president. And Jack is one of the people I admire most in that period in the union--well, throughout <sup>his</sup> ~~the~~ career in the union-- because he was always available, good for advice, kind of gave us the bigger picture so we would know how we were operating and so forth.

CONNORS: Yeah. In my reading of him, he seems to have been like a strategy man, someone who had strategic thinking.

SCHRADE: Yeah, yeah, really excellent.

CONNORS: Had he come up as a worker through the union?

SCHRADE: Yeah. Actually he had gone to work during the war at General Motors in the war plant in Chicago. He and Laverne both came through the University of Chicago, graduated from there. He was part of the Robert Hutchins roundtable, organized that with Hutchins. And he spun off into the Aspen Institute in the sixties, and he still does Aspen Institute, educating corporate executives, which he can do. He's very effective at it. He educated Starkweather and [David L.] Cole at North American Aviation

*Clayton C.*

after the strike. He led our bargaining then. But even today I maintain this relationship there. Some of my best friends were going up for their fiftieth anniversary in Boca, Colorado, late in August. But Jack was really-- I'm glad we were able to meet and get together that early, because we needed advice and help during that period, because we were constantly at odds with O'Halleran and his ally in the Reuther administration: Livingston, Kircher and Russo. And a lot of this we never understood because we weren't part of the early forties politics and so forth. We were able to get a better understanding of how we should operate within this context rather than just flying blindly. And Jack was always available, always friendly, and always with good advice.

CONNORS: Let's see. Here you are in 1951 as president, and what's coming up is the 1952 wage reopener. Now, you were aware of this, I'm sure. In '51 as you're taking office, this is coming up, and you're going to need to do some fancy footwork on this. At the same time, you're getting into this new role as president, and the company itself is beginning to mushroom. It's starting to produce all kinds of--it wasn't called high technology at that point--but it's more jet and missile type products, more weaponry, more machinery demanding electronic type of control. How did this affect you as this new young

president? Suddenly it's a different ball game; it's a different kind of company. What did that mean for you as president of the union? How did you speak to the membership about this and reflect what they needed?

SCHRADE: Well, in '50 we got a modified union shop. Modified means that people who sign up stay through the contract. Because we had constant escape periods, and there were the maintenance of membership contracts of the past. So we had less organizing to do. We could just go after the new people coming in and get them signed up, and then we'd have them as members for a longer period of time. But the complicated thing, because things expanded into Long Beach--there's a Long Beach plant, there was a Downey plant, although the Downey plant had been there for some time, its work changed--there are all kinds of problems in regard to new classifications in the classification system. And the old system really didn't apply for some of these higher-tech jobs. It was just an insult to workers to be a C mechanic in this new work. So we had all kinds of problems in the membership. The membership was making demands on the union, "Do something about this."

The other problem that we centered on was this traditional differential, which was an issue in the 1941 strike, an issue all the time through the history of the



local, and that is an autoworker was paid more than an aircraft worker. And this was particularly insulting and aggravating during World War II, because autoworkers became aircraft workers with the conversion of auto and truck plants over to military hardware, aircraft, tanks, and so forth. So the auto rates went into military production at that point. At the same time, people working at North American Aviation, building the P51 Mustang, were making 25, 30, 40 cents an hour less. So this became a problem. So we began strategizing on how to approach this. We talked to the international about this, and there had been a policy laid down. We decided to take more initiative in this area. So Jack Hurst and I were involved in doing a lot of research activity. We visited plants. For instance, we went to different auto plants around the country and visited locals where they were doing both aircraft and auto work. We found that as an example of what we were talking about. For instance, Willow Run which was a major bomber plant during World War II, had become a Kaiser-Willys [Automobile] and aircraft plant. So here we had parallel assembly lines, auto and aircraft, the autoworker's rates being applied to the people at Willys who were doing aircraft work. So this became one of the ways of making this point to the membership as well as to the corporations. So we built on this and we put out a