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### Convention of Northwestern Lumber and Sawmill Workers

Mike Mansfield 1903-2001

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Speech of Senator Mike Mansfield  
At Annual Convention of the Northwestern  
Council of Lumber and Sawmill Workers  
Missoula, Montana  
April 18, 1955

It is with a great deal of pleasure that I am able to be here this morning at this opening meeting of the Northwestern Council of the Lumber and Sawmill Workers Union. Today I am speaking before a group of men who carve out their living in one of the most scenic and productive areas in America, the Pacific Northwest.

The United States is, at this moment, the mightiest nation in the world because of our magnificent natural resources and the genius of our free institutions combined.

Our country is on the threshold of some of the greatest decisions, internal as well as international, in its glorious 180-year history as a free nation. Labor has made great advances since the days of the sweat shop, piecemeal wages, low wages, and long hours. Labor is at the fork of two roads -- the road to ruin by way of regulation, anti-union laws and rulings, and loss of bargaining power or the road to success and prosperity by way of the bargaining table, recognition of the worker's rights and increased benefits for the laborer. It is up to the unions to see that labor takes the road to success.

Public power and development of natural resources are at a crucial point. Should the natural resources of this nation continue to be developed for the benefit of all the people under a Federal program or should these streams and rivers be harnessed for the benefit of individual

and moneyed interests, under the present partnership program.

In foreign affairs the magnitude of decisions needed now is almost beyond comprehension. Seldom has the balance between war and peace been so delicate. In Europe, United States relations with our allies is generally considered to be amiable and united within the North Atlantic Treaty Organization. In the Pacific the situation is not so serene. In Indochina the United States is faced with great obstacles in supporting and stabilizing the Diem Government against the private armies, religious groups, gangsters, and Communist subversion. In the Formosa and Pescadores situation we find ourselves alone, without allies, protecting the Formosa Straits with the Seventh Fleet. We are refusing to state to the Chinese Communists whether we will or will not defend several little off-shore islands, in hopes that it will forestall a Chinese Communist attack. This delicate situation could develop into all-out war at any time. These offshore islands, the Quemoy and Matsus, are of little strategic value. Defending these islands would be a great risk when you consider that defending them would involve American lives and the possibility of a great war. In our pre-occupation with Formosa, we are forgetting Japan, one Asiatic nation that needs assistance and must not be allowed to fall into the Communist orbit of influence. Japan must have new sources of trade. If she cannot find them in the West, she will be forced to turn to the East.

We have built our great Nation with imagination and toil applied to the iron ranges fringing the Great Lakes, the coal deposits of Kentucky



and Pennsylvania, the cotton-producing expanses of the South, the plains of grain of the Midwest, the oil of Texas, Oklahoma, and California, the timber of the Pacific Northwest, and the other natural wealth with which our country abounds. We in the Northwest have claim to a great many of these resources. More particularly we have been blessed with great resources in timber and falling water.

At this point I want to discuss the most immediate concern to all of you gathered here this morning, LABOR -- your take home pay, working conditions, benefits and those things that make life worth living.

I hope that this year, 1955, will provide labor with great and fresh opportunities for union expansion and bargaining gains. Increased hopes for labor in 1955 arise from several things. As I see it, one reason for this new hope can be ascribed to the Democratic victory in the November Congressional election. Another factor is that economists are forecasting that the year ahead will bring increases of from 1-1/2 to 2-1/2 percent in the nation's business -- which would make 1955 a better year than 1954, although not quite so good as 1953. But most of all 1955 may very well prove to be a historic year -- perhaps the start of a new era because of the prospect of labor unity. We may be witnessing what has been called a "renaissance" in American unionism.

One of the big reasons this year seems to have such a great potential is that many of the unions are going to make a determined bid for a guaranteed annual wage, and will strike, if necessary, on the issue.

The automobile workers seem to be taking the initiative, but I doubt that they will be alone for long. If the annual wage demand is pressed militantly, 1955 may become an epochal year for labor -- the annual wage year, as 1949 became for unions, the pension year.

The past two years has been a period of great internal achievement for American labor unions. Organic unity was implemented in numerous instances and it has added greatly to the stability and responsibility of the trade unions. In national affairs, labor has not fared so well. The past two years under the Republican Administration has not "wrecked" the labor movement, but they have demonstrated clearly what drastic changes can be brought about by an administration which is not exactly pro-labor.

In the face of a recession last year the AFL and CIO sponsored economic policies to meet the situation but received little recognition. Improvements were made in the Social Security Act during the 83rd Congress, but more improvements are needed along this line, including the need for disability insurance. There are many proposals before Congress which would increase social security benefits. Among these are bills which would, if enacted, lower the age at which a man or woman may receive social security benefits. I sincerely hope that more benefits will be enacted into law during the 84th Congress. Among these should be a bill lowering the retirement age to 60.



Just recently the Democratic majority in Congress proposed a \$20 tax cut which would have increased consumer purchasing power through cuts for low-income groups. This tax cut failed because of opposition from the Administration which said it wasn't time for a cut. They have forgotten that last year the Administration approved tax cuts totaling \$7.4 billion, the largest tax reduction in any single year in our history. These cuts were mostly for the benefit of business and higher-income taxpayers. Yet this year they protested a tax cut of \$2 billion for the low-income taxpayers.

Another field where I hope some progress can be made this Congress is in the area of an increased minimum wage. The Republican Administration has done very little about the minimum wage. The last time working people were given a boost in accordance with the rising standard of living was in 1949. At that time, a Democratic Congress raised it from 40 to 75 cents. Since 1945 the cost of living has increased 11 percent. Now, even Labor Secretary James Mitchell admits the need for an increase in the minimum wage. In 1954 President Eisenhower opposed any increase in minimum wage. In his 1955 Economic Report he opposed any increase beyond 90 cents. Ninety cents is not enough; the minimum wage should be increased to \$1.25 at the very least and it is my hope that the many proposals which would increase the guaranteed hourly wage to that figure will receive every consideration.

The last Republican Congress did not change so much as a comma in the Taft-Hartley law. It failed to do anything to improve the act and "packed" the National Labor Relations Board. Under the new Republican management, the NLRB has succeeded in toughening up Taft-Hartley in practice, via a new series of decisions. The new personnel have promulgated widespread anti-union changes in well established policies covering a large number of important issues and giving encouragement to employers in resisting the organizing efforts of workers, in frustrating their effectiveness at the bargaining table and in impairing their ability to act in concert for the protection or attainment of their legitimate rights and objectives.

The Administration in Washington is again going through the motions of asking Congress to amend the Taft-Hartley Act, but, I think the real test of the President's views on labor matters will be his reaction to the anti-labor amendments which will undoubtedly be proposed by individual Republicans in Congress. It is rather disheartening to see the anti-labor spokesmen of the Labor Board stand by while labor's rights are being whittled away.

One of the most dangerous anti-labor trends to gain prominence in the past several years is the spread of State "right to work" laws. Large national anti-labor groups are pushing a systematic program of attacking organized labor through the State legislatures.



These State "right to work" laws received increasing attention in 1954. Several states enacted such laws during the past year, making a total of 18. Proposals to grant increased authority to the States in labor-management affairs are receiving far too much concern. The unions and labor groups in Montana and her neighboring states should intensify their efforts to see that such legislation does not become law. Your goal should be to seek State legislation which is more conducive to collective bargaining.

These laws aid no one -- neither workers, business, nor the community -- other than a very small group of low-wage, anti-union employers. The threat of these laws involves more than a narrow partisan issue between labor and management. The living standards of all Americans are adversely affected by this legislation. The position taken by Secretary of Labor Mitchell in opposition to the "right to work" laws points out the obstacles they present to collective bargaining and effective union organization. Acknowledging the States' rights to pass such laws, Secretary Mitchell has called on the States with such laws to give them "further consideration" because "these laws do more harm than good." An organized effort to promote these laws to undermine union security is not conducive to harmonious working relations between employers and their employees.

Labor must always be on the alert to face these new as well as old obstacles and to protect its rights at the bargaining table. In Washington we on the Democratic side of the aisle will do all in our power to detour these



anti-labor movements and directives coming from the Executive departments. Hope for the future lies in 1956 when the voters can demand a change in the philosophy of those in high places.

The American Federation of Labor has many commendable goals in its extensive program and they should be undertaken with vigor -- reduction of the basic work week; extended coverage under the Fair Labor Standards Act; an improved unemployment insurance system, and a vigorous housing program, to mention only a few.

When a hostile Republican Congress took over early in 1953, we did not quite know what to expect. Particularly in view of the moderate tone of General Eisenhower's campaign speeches on labor and his surprising appointment of Martin Durkin of AFL as Secretary of Labor. However, it did not take long to discover the true course of the present Administration's labor policies.

In mid-1953, Secretary Durkin's moderate proposals for amendment of Taft-Hartley received the Presidential blessing and were on the verge of being submitted to Congress when they were "leaked" to the press. After GOP Congressional leaders stormed the White House in protest, President Eisenhower withdrew his approval of the proposals, and Mr. Durkin resigned in protest.

Many people have been generally pleased with Durkin's successor, James P. Mitchell. What has disturbed me and many others is that Mitchell

does not seem to be the dominant spokesman with the Administration on labor matters. The prevailing voice appears to be that of Commerce Secretary Weeks, who seems to have the ear of the President more than Mitchell -- or at least the inside track with the White House staff.

For example, the most surprising of President Eisenhower's proposed Taft-Hartley changes, which would require a government-conducted union vote of approval of every strike -- was generally said to have been inserted in the President's message to Congress at the last moment -- at the behest of Mr. Weeks, and without the knowledge of Mr. Eisenhower's own Labor Secretary, Mr. Mitchell, who is said to have first read about the strike-vote proposal in the newspapers.

In early December, Mr. Mitchell received another White House rebuff. The day after Mitchell spoke out against so-called "right to work" laws, the White House hastily issued a statement stating that Mitchell spoke only for himself, and not for the Administration in which he is the top labor official.

Commerce Secretary Weeks, whose principal duties center around the Government's relations with the business community, has not confined his interest in the Administration's labor policies to Taft-Hartley changes. In an apparently unsolicited memorandum to a Justice Department "study committee" which is reviewing the entire field of anti-trust legislation, Mr. Weeks recommended bringing certain activities of labor unions back



under the anti-trust laws. In doing so, Mr. Weeks was favoring a return to the 1920's when anti-trust actions were among the principal weapons used to harass labor unions, with working men being treated, legally speaking, as a "product" or "commodity" instead of as human beings. This concept was expressly repudiated by the Norris-LaGuardia Act of 1930 which, as President Eisenhower proudly pointed out during the 1952 campaign, was enacted by a Republican Congress.

Although a "task force" of the Justice Department Anti-Trust Study Committee has recommended against bringing unions under the anti-trust laws, the full committee is still said to be considering such action and labor unions, with not a single spokesman on the committee, are virtually powerless to protest. Union growth has obviously been hindered greatly since 1952 and the large concerns are far from unhappy over this development in industrial relations.

Now, however, the Administration's and the Labor Board's activities in the labor field will be in for close scrutiny by the Democratic controlled 84th Congress.

The lumber and sawmill industry has a fine record in the historical development of our nation. The industry provides limitless necessities of life. The success of the industry has been due in large part to the working cooperation between the lumber and sawmill workers and management. This is extremely important because of the many hazards that you face --



seasonal work, unpredictable Mother Nature, and blights and fires which cause tremendous loss of timber in our forests.

Today the forested lands of the nation are faced with an epidemic of the Spruce Budworm, which in Montana alone threatens to destroy nearly two million acres of fir and spruce timber. This grave emergency can only be met by an extensive spraying program.

The Federal Government is undertaking a spraying program in the national forests but there has been some doubt about the ability of private owners and the States to meet spraying costs of the lands under their jurisdiction. It is necessary that the intensively infested areas as well as the lightly infested related areas should be sprayed at the same time. The spraying of federal lands with no spraying on private lands would probably result in the re-infestation of the federal lands from the adjoining private lands. This, of course, would be a waste of money. The only logical conclusion that is drawn from this is that the federal lands and the private lands must be sprayed at the same time to effect any type of control measures.

If the spraying project is not undertaken because the private land owner cannot pay for his share, the loss in national forest resources would be tremendous. It is rather foolish to leave national forest lands unprotected and this is precisely what would be done if the spraying project is not carried out. I believe that in the light of this, the Federal government

is justified in spending federal funds on private lands in order to protect the national forest lands.

The funds for spraying State and private lands are based on a 50 percent matching requirement. If this arrangement is adhered to there will be many large areas which will be eliminated. Before the appropriation request of \$785,000 can be spent, a 50 percent matching is required.

I have testified before the Senate Committee on Appropriations that language be included in the bill which would recommend that the Department exert every effort to secure as much of the matching funds as it can, but that in the event they are not successful, they be allowed to spend the entire \$785,000 for spraying. As I have already mentioned, the lands infected are scattered over the Northwest and it is impossible to spray the national forested lands without spraying the adjoining privately owned lands. It is imperative that these lands be sprayed or else we will suffer a tremendous loss in timber. I have stressed this one problem because it is current and might very well affect the future of the lumber industry in this area.

Turning to another area of immediate concern to Western Montana and the Northwest, I wish to discuss public power and the development of the natural resources of the West.

Since the advent of the Republican Administration, the public power program has come to a complete standstill. This can only mean economic stagnation in many key regions of the United States. Hungry Horse, TVA,



Bonneville, and Grand Coulee and many other projects have brought electricity to American farms and small communities, strengthened industrial payrolls and made possible the production of atomic energy. These projects have provided flood control, irrigation for arid lands and navigation in addition to power. This beneficial program has been abolished in favor of a plan which the Administration has labeled "partnership."

Under partnership, the Government will provide half the cost of these multi-purpose projects and private utilities generally the other half. When the project is completed, the Government gets the fish ladders, locks, floodgates and facilities that yield no revenue. The private utility acquires the revenue producing facilities, the kilowatts from the power.

As of June 30, 1954 the Federal gross invested capital in operating projects of the Bonneville Power Administration allocated to commercial power, including generation and transmission was \$1,013,006,646. This has been reduced to an unpaid balance of \$842,596,730 by cumulative repayments to date of \$117,409,916. Total repayments were nearly \$65,000,000 in excess of scheduled requirements at the end of the fiscal year. This has all the ramifications of a good business deal. I doubt that the partnership plan will prove to be a financial success as far as the Federal Government is concerned. The partnership approach in simple language is a giveaway to the private utility and power companies.



Why end this program for a vague partnership which could benefit only the private utilities and raise the cost of power needed for western industrial development? It is significant, I think, that the Administration proposes partnership for the magnificent hydroelectric sites along the Columbia River, but at the same time recommends fully Federal dams for the far less valuable sites in the upper Colorado Basin where electric-power output is less profitable. In other words, the power companies get the cream; Uncle Sam, the skim milk.

Actually the partnership plan has proven to be a false front. In the two years that the Administration has been pushing the idea of partnership, it has failed to get a single Northwest power project underway. Meanwhile, the specter of a severe power shortage in the area -- with inestimable economic repercussions -- moves closer to reality.

By 1960-61, the Pacific Northwest will be plunged into a power shortage which will increase to such proportions as to threaten its economy. According to the Bonneville Power Administration this deficit will amount to 807,000 kilowatts of prime or year-round power, by 1963-64.

The number of giveaways associated with the present Administration now in Washington would make a long list, but the biggest and most controversial of these giveaways has been the Dixon-Yates deal. This contract, made behind closed doors, will give private utilities a financial bonanza.

The President sparked this deal with a private utility combine to build a power plant to supply electricity to the Tennessee Valley Authority. Under this contract a private utility holding company combine would furnish 600,000 kilowatts of power to TVA, as a replacement for power which TVA now furnishes the Atomic Energy Commission.

Under this arrangement, the AEC has become a "broker" to buy power for the TVA, even though TVA is already adequately furnishing the power requirements of the AEC. It has been estimated that under the Dixon-Yates contract the additional cost of power to the AEC would range from \$3,685,000 a year to \$5,567,000 a year. Moreover, the Federal government would reimburse the Dixon-Yates combine for its payment of Federal income taxes -- a scheme unprecedented in the history of our Government.

What it all boils down to is that the President has directed a reluctant Atomic Energy Commission to select a private utility combination, the Dixon-Yates Corporation, without competitive bids to build a huge steam plant at West Memphis, Arkansas, and to sell to TVA at a stipulated contract price power equal to that which TVA is to supply to AEC plants. The capital is to be secured by private borrowing on the strength of a 25-year government contract.

If a school board in Missoula County followed the same practice, they would be thrown out of office for malfeasance.



Another fine example of this new "giveaway" philosophy is Hell's Canyon -- one of the greatest undeveloped power sites in America -- a large gorge in the Snake River along the Oregon-Idaho border. This Administration is doing its best to give that magnificent power site to a private utility. The real crime about Hell's Canyon is that the utility doesn't even plan to make full use of the great power resources of that river. Nearly one half of the power will be wasted under the utility's plan -- and that's power that belongs to you and me -- everyone of us here in Montana, Idaho, Washington, Oregon and the remainder of the 48 States.

The power issue will be brought to a test in Congress this year with the battle over the authorization of Hell's Canyon as a Federal constructed multipurpose hydroelectric power project. Hell's Canyon is one of the finer power sites in the Northwest. The Idaho Power Company wants it and has the Administration's blessing. Interior Secretary McKay withdrew the Government's claim to the site, announced his personal support of Idaho Power's plans and the Federal Power Commission is expected to announce a decision in the company's favor.

An attempt will be made in Congress to remove the power of decision from the Administration and reserve the site for the Federal government. If we are successful, the result will provide urgently needed low-cost power for the Northwest.



Congress is not asking the taxpayers of the United States for a hand-out. Projects like Hell's Canyon add to the strength of the Nation by adding strength to the economic foundations of a region. Projects like Hell's Canyon are investments which are entirely self-liquidating. Even with annual interest charges, Hell's Canyon will pay for itself twice over during the 50-year amortization period. In the years beyond it will continue to pay for itself so long as the structure stands, as all operating Federal projects in this region are now doing.

Here in Western Montana we have a great monument to the development of the Northwest, an important link in the development of the Columbia Basin. I refer to the Hungry Horse Dam. It took a long hard battle to get it constructed, but we won. Now we have a multipurpose project with a total capacity of 285,000 kilowatts, a dam and reservoir contributing to power and irrigation needs, flood control and navigation in the Northwest.

In Montana we have two multipurpose projects which are sorely needed to supplement the power needs in the Northwest -- Libby Dam on the Kootenai River and Yellowtail Dam on the Big Horn River. The planning and surveying of both is complete.

Both projects have been authorized for a number of years and they have withstood numerous attempts of de-authorization. One of the major obstacles to construction of Libby Dam is the international negotiations

involved. The building of Libby Dam would create a vast lake backing water into Canada. There is some dispute as to proper compensation to our northern neighbor.

The Truman Administration was proceeding with negotiations for the construction of Libby Dam. When the Eisenhower Administration came into office, they discontinued the negotiations. But when they decided it was not very good politics, they reopened the negotiations and are now stressing Libby Dam very much, apparently in an effort to meet the charge that they are not favoring any new starts in the Northwest. They seem to feel safe in stressing Libby because it is tied up in a very involved international situation. It is my hope that these negotiations will be successful so that a start can be made on that project soon.

On the other hand Yellowtail Dam negotiations are very near complete, so now the Administration is trying to clog up the works by introducing the partnership plan. Actual construction on the Yellowtail multi-purpose project has been held up because it has been necessary to negotiate with the Crow Indians about lands which would be submerged by the proposed reservoir. It is my understanding that agreement is near at hand. The project has been approved by the Bureau of Reclamation and the Department of Interior, in addition to a recommendation from the Interior Subcommittee of the House of Representatives. Seeing that the way is clear for an appropriation the Administration is now making a determined effort to introduce the partnership plan, a giveaway of the power to a private utility.



At this point it might be pertinent to make note of the fact that these new partnership plans are void of any "preference clause" with regard to providing power to rural electric and telephone cooperative organizations.

It is my sincere desire to see that a concerted effort is made to get construction going on Libby and Yellowtail Dams.

Libby, Yellowtail and Hell's Canyon as well as numerous other power projects will strengthen the Nation by strengthening the economic foundations of the Pacific Northwest region. They will do this because the hydroelectric power they generate will provide the energy to turn the wheels of new industries -- the energy to expand the operations of present industry. Construction of these projects will mean new investment in the region -- new jobs, new retail outlets, new purchasing power, and greater sales of consumer goods shipped into the area from all over the Nation. The lumber and sawmill workers will play a very large part in this new development.

By any conceivable test, public power has been a success and provides the best solution to the power shortage. It has brought comforts to farmers, jobs to workers, profits for businessmen. Equally important, it pays for itself. Under partnership a large portion of the income, instead of going to the Federal Government, would be going to the private power companies and absentee owners.

Great resources owned by the people should be developed fully and for the benefit of the people.