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THE CHECK-OFF SYSTEM IN AMERICAN
LABOR RELATIONS

by

John Joseph Mc Geever

A Thesis Submitted to the Faculty of the Institute of Social and Industrial
Relations of Loyola University, Chicago, Illinois, in Partial Fulfill-
ment of the Requirements for the Degree of Master of Social
and Industrial Relations

February

1953

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CHAPTER I

INTRODUCTION

In this thesis an attempt is being made to trace the history and growth of the check-off system from its origin in the coal fields of Pennsylvania to its place in present day labor-management relations. In this tracing procedure we must take several aspects of the system into consideration. First, the historical view in which we will trace the evolution of the system. Secondly, the legal aspects of the system as traced through the Federal and State Legislatures and the courts and government boards of the pre and post Taft-Hartley periods. Thirdly, the various forms under which the check-off has appeared since its origination. Fourthly, its applicability to dual unionism as we find it in the United States today. Finally, I would like to conclude by making an analysis of the system, considering what it has done for the union movement in this country.

At this point it might be well to give a definition of the term "Check-off" before we launch into a history of the system. Since the check-off has been found in three general forms, it might be well to give three definitions. The first definition is an all inclusive one:

"The Check-off"- - Deduction by the employer of union dues, assessments, or fines from the pay of the employees. May be done

either automatically or on the specific authorization of the worker.¹

The second definition is of the automatic or the compulsory check-off:

"The Automatic Check-off"- - The deduction of dues, assessments, or fines from the employees' pay without specific authorization from the concerned employees. Results from an agreement to that effect between the company and the union.²

The final definition is of the voluntary check-off:

"The Voluntary Check-off"- - Deduction of union dues and assessments as authorized by the employees.³

This system is an important part of the union security provisions that have frequently become subject for negotiations at collective bargaining in American industrial relations. As will be pointed out in later chapters, several authors believe that employer attitudes on the check-off, to a great extent at least, reflect their attitudes on the entire field of labor-management relations.

1 C. Wilson Randel, Collective Bargaining Principles and Practices, Boston, Houghton Mifflin Company, 584, (1951).

2 Ibid, 582

3 Ibid, 604

When the check-off is considered out of context it seems relatively unimportant. Other union security provisions, such as the closed shop, the union shop, or the maintenance of membership shop, all seem to embody far more value to the union. This thesis will attempt to show that the system reflects far more than what appears on the surface in this type of preliminary investigation. Finally, the thesis will show why the check-off has become one of the foundations of all union security clauses used by American unions.

CHAPTER II

THE HISTORY OF THE CHECK-OFF SYSTEM

The first time we find the term "Check-off" used in American labor relations is in the Pennsylvania coal fields near the turn of the century. The coal operators used a check-off system to deduct the cost of the materials used by the miners in their work from their pay. The expenses for blasting powder, new tools, and general material service were all deducted by this method. With the advent of the ill-famed company stores, charges for groceries were added to the list of deductions. When the coal operators began to build homes for the miners, the payments for these houses were added to the list of checked-off items.¹ In some instances the indebtedness incurred by such charges was found to exceed the miner's monthly wages. He then received what was familiarly termed by the miners as a "bob-tailed check".²

The evolution of the check-off from the above mentioned form to a union security clause was an interesting process in itself. A circumstance

1 Joel Seidman, Union Rights and Union Duties, Harcourt and Bruce and Company, New York, 1943, 54.

2 F.A. King, "The Check-off System and the Closed Shop Among the United Mine Workers", The Quarterly Journal of Economics, Harvard University Press, Cambridge, Mass., XXV 4, August, 1911, 732.

in the coal mines before the introduction of the check-off strengthened the position of the miners in their demand for this method of collecting union dues. This was the establishment of the office of "check-weighman", whose duties were in brief, to protect the miner's interests in the screening, weighing, and docking of coal by the company. The "weighman's" salary was paid by the workers although his check came from the company. The company would deduct the amount necessary to make up the weighman's check from the wages of the men he served.³

Laws were passed in several state legislatures governing the "check-weighman" and his duties: Ohio, 1872; Pennsylvania, 1873; Iowa, 1880; Illinois and Indiana in 1883; Kentucky, 1886; Tennessee and Missouri, 1887; West Virginia 1891; and subsequently in the states of Kansas, Arkansas, Michigan, and Montana.⁴

It might be worthwhile at this time to examine one of these laws governing the "check-weighman". For this purpose I have chosen the Act passed by the 33rd General Assembly of the State of Illinois, which reads as follows:

It shall be lawful for the miners employed in any coal mine or colliery in the state, to furnish a check-weighman at their own expense, whose duty it shall be to balance the scales and see that the coal is properly weighed, and keep a correct account of same, and for the purpose he shall have access at all times to the "beam-box" of said scale while

3 Ibid, 773.

4 Ibid, 735

such weighing is being performed. That the agent employed by the persons mining coal, to act as weighman, shall be an employee in the mines where the coal to be weighed is produced, a citizen of the state and county wherein the mine is situated. He shall, upon application to the owner, agent, or operator of the mine producing the coal to be mined, be furnished with a written permit that will entitle him to enter and remain in the room of place where the accounting by him of weights of coal is to be done, and the said permit shall not be transferable; Provided, that the provisions of this Act shall apply only to coal mines doing business in and shipping coal by railroad or by water.

When the first coal operators were forced to negotiate with the United Mine Workers they found themselves at a disadvantage insofar as the raised labor costs forced them into lowered profit margins and eventually into price raises. The non-union operators, however, did not suffer this raise in labor costs and were subsequently able to maintain the lower prices. The unionized operators realized that they were being placed at a competitive disadvantage and thus being discriminated against and asked why other mines were not being unionized in order to keep fair competition. The union officials answered that so many of their organizers were being kept busy in dues collection in the mines already organized that their expansion was being limited.

In the First Competitive Coal Field Agreement of 1898, the coal operators agreed that the Bituminous Coal Field Miners' union dues would be deducted from their pay in order to allow the union to gain sufficient

5 Bradwell, Myra, All the Laws of the State of Illinois, Acts passed by the 33rd General Assembly Jan. 3, 1883 - Jun. 18, 1883, Chicago Legal News Company, 1883, 93.

strength to organize the non-union miners in the outlying areas. This Central Competitive Agreement of 1898 gave all possible protection "against unfair competition resulting from a failure to maintain scale rates".⁶

The United Mine Workers organization was not the first to introduce the check-off in the coal industry, for it was advocated as early as 1889 by the Ohio Bureau of Labor of that year, the latter organization demanded it in two different strikes affecting five mines in the state; in one instance asking for "the check-off granted to us before May 1, 1889"; and in the second, "the usual levy made by the Progressive Union".⁷

These are the first instances of the check-off being granted to unions in the United States. The unusual part of the United Mine Workers check-off is that it was suggested by the coal operators rather than by the union.

From this point the check-off appears with ever-increasing frequency in the field of industrial relations. By 1902 there were check-off provisions in fifty mine agreements.⁸ In 1904 the issue of the check-off

⁶ Richard A. Lester, The Economics of Labor, The MacMillan Company, New York, 1947, 802-803.

⁷ King, Check-off Among the U.M.W., 734

⁸ Ibid, 738

led to a strike in the Cabin Creek District of the Kanawha Valley. The union insisted that the companies undertake to check-off or to collect union dues and assessments on behalf of the union from all the men employed, instead of only from the union members. The strike was lost and with it went the control of the Cabin Creek District.⁹ In times of great organizational drives by the unions, the check-off has become one of the prime union objectives, as it has become one of the employers choice objectives in anti-union onslaughts. In times when the unions were in a semi-stagnant condition the check-off was seldom mentioned. But regardless of the economic or social feelings of the country, the check-off has remained.

During the "Open-Shop" drive of the 1920's the check-off, along with other union security provisions, became a prime target of the employers. As Richard A. Lester stated: "The refusal of management to grant the check-off of union dues has become a barometer of its basic attitudes".¹⁰ This position is further held in the Labor Relations Reference Manual which states: "of the various contractual arrangements regulating the relationship between the employer and the union, one of those which effectuates the closest

⁹ Selig Pearlman and Philip Taft, History of Labor in the United States 1896-1932, Vol IV, MacMillan Co., New York, 1935, 329.

¹⁰ Richard A. Lester, The Economics of Labor, 619-20

cooperation between the parties is the agreement embodying the check-off".¹¹

In the Railway Labor Act of 1926 both the check-off and compulsory union membership were outlawed. In this case, however, the Railway Brotherhoods were instrumental in getting this provision included in the Act.¹² The national organizations wished to ban the use of the check-off because so-called "independent" unions had been using it with a great deal of success. The national unions, wishing to weaken the position of the independent unions, had these prohibitions inserted into the Act.¹³ Of course, the independent unions were opposed thereto, but the strength of the national unions was too much for them.¹⁴ In the 1951 amendments to the Railway Labor Act the check-off was again restored to a proper subject for collective bargaining in future rail negotiations.

The check-off, along with other union security clauses received many severe set-backs during the period of the "American Plan." With the advent of the New Deal Administration the check-off again came into its own. The rapid organization of the mass production industries along industrial

¹¹ Section V, Collective Contracts and Industrial Practices, 2 LRRM, 946.

¹² Harold W. Metz, Labor Policy and the Federal Government, The Brookings Institution, Washington D.C., 1945, 112.

¹³ Ibid., 112.

¹⁴ Hearings before the Senate Committee on Education and Labor, To Amend the Railway Labor Act, Congressional Record, 73rd Cong., 2nd Sess., Vol. 78 Pt. II, 23.

lines following "Labor's Civil War" brought the industrialists of the thirties squarely to face with the same problem that faced the coal operators of the 1890's. In the automobile industry, for example, the United Automobile Workers would argue, upon receiving complaints about the unequal trade caused by the rise in labor costs, that if they didn't have to spend so much time maintaining existing locals they could give more attention to the organization of the non-union plants which were under-cutting the unionized companies.¹⁵

In the Steel Industry the check-off was not so easily granted.

R. R. Brooks states:

Employers' opposition to the check-off has traditionally been even more determined than their opposition to the closed shop. Consequently, there have been more informal approximations of the check-off than outright contractual agreements. The most informal check-off is granting permission to the chief steward or a limited number of shop stewards to stand beside the paymasters' window and solicit dues as the men pass by. In at least one of the plants of a company with a tradition of bitter anti-unionism the union dues collector is permitted to place a bench directly across the door of the paymasters' office. Egress from the office is difficult unless the bench is swung aside. On the bench a pen, a stamp book, and a change box are suggestively arrayed. As each employee is paid off, the collector raises an inquiring eyebrow, a dollar bill changes hands, a receipt stamp is affixed to the member's card and the bench is swung aside. The company's attitude is self-evident and the dues collection regularly approaches one hundred percent.¹⁶

Today, however, the check-off is standard in the Steel Industry.

In 1940 the hard coal miners won the check-off. A company official,

¹⁵ William Hesten McPherson, Labor Relations in the Automobile Industry, The Brookings Institution, Washington D.C., 1940, 29.

¹⁶ Robert R. Brooks, As Steel Goes...., Yale Press, New Haven, 1940, 171.

in a public statement, said that he believed the new security provision would be of help because when there was no check-off in the anthracite coal fields, union officials at the collieries had at times to pass on the eligibility of every man reporting to work, with the subsequent confusion. "Button Strikes" often occurred, caused by the refusal of men wearing union buttons to work alongside of those who would not show this proof of their membership in good standing.¹⁷

Since that time the check-off has gained ground in many industries. In 1945 about six million workers, or more than forty per cent of all employed under collective bargaining agreements were covered by some form of check-off.¹⁸ In 1950 sixty-four per cent of all collective bargaining agreements contained check-offs. Included in these were ninety-one per cent of all CIO agreements and forty-one per cent of all A F of L contracts, plus sixty-five per cent of all independent union contracts.¹⁹ Mr. Kurt Braun believes that the generally declining employer opposition to union security clauses in the United States has simultaneously brought about this marked increase in the number of check-off agreements found in contracts. He further notes that prior to the last war the check-off was common in relatively few American

17 McAllister Coleman, Men and Coal, Farrar Rinehart, Inc., New York, 1943, 226.

18 Monthly Labor Review, Extent of Collective Bargaining and Union Status, April 1945, B.L.S., LX, 822.

19 Ibid., Union Security Provisions in Collective Bargaining Agreements, 1948-1950., August 1950, 71, 2.

industries because the employers were generally disinclined to assist unions by acting as their dues collectors. In recent years, however, the employers' attitudes have been changing, mainly because the check-off enables them to forestall demands of the unions, having exclusive status to discharge workers who will not pay their dues.²⁰ The Labor-Management Relations Act of 1947 has not hurt the growth of the provision to any great extent. As a matter of fact, since the advent of the new labor law there have been more check-offs written into collective bargaining agreements than any other form of union security clause.²¹

20 Kurt Braun, The Right to Organize and its Limits, The Brookings Institution, Washington D. C., 1950, 192.

21 The Institute of Labor and Industrial Relations, "Some Effects of the Taft-Hartley Act", University of Illinois, 18 I.L.I.R. Series A., III34, 106-107.

CHAPTER III

FORMS OF THE CHECK-OFF AND RELATED PROBLEMS

Forms of the Check-off

Before the check-off system was adopted there were many problems in the collection of union dues insofar as where and when the union official might make his collection. The most common method was collection within the plant during rest periods, meal periods, and at specified times during the working day. When this problem was agreed upon a new one arose as to what facilities the company should provide the union officers to aid them in said collections. For example, should the company provide the union with a desk or a booth within the plant, or shall there be some other specific location or facilities provided? Some companies refused to allow the union representatives to collect their assessments anywhere within the premises, while others were very helpful in this respect.

With the advent of the check-off system of dues deduction the problems of where and when were eliminated, but new and equally perplexing difficulties arose. The first of these problems to arise was just what items were to be considered as deductible tender. Everyone agreed that union dues were an item to be checked-off, but when the question of initiation fees, union fines, and general assessments arose many employers balked. If these

items were to be included under the check-off shall there be a maximum amount set for each deduction period? Employers reasoned that by not limiting the amount of the check-off they were giving the union a powerful and dangerous weapon that might prove to be an instrument of "oppression and hardship" that could be used against their employees.¹ Another question was how frequently shall the deductions be made? Following from this question, to whom shall the deductions be sent? Shall they be sent to the local union office or to the international office? The question then arose as to who shall bear the costs of the administrative procedure involved? Shall the cost be borne by the union exclusively, by the company exclusively, or shall there be a joint acceptance of the costs? If both parties are to share the expense, how shall it be divided between them?

Another series of problems arises over what shall be done if the employee is not working during the payroll period. Shall the deductions be carried over to the next payroll period? If so, shall a double deduction be taken out all at once, or shall it be spread out over several pay periods? Shall there be a difference in the amount of deduction if the employee is not working because of a strike, sickness, or lay-off? In such cases shall the individual circumstances be left up to the discretion of the union entirely

1 Douglas Aircraft Co. vs. International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, N.L.R.B. Decision, 15 LRRM 1590, (1944).

or shall there be a joint union-management committee formed to deal with this type of problem?

Finally the problem has arisen as to whether or not the company is to be held responsible for improper deductions made at the request of the union.² These are but a few of the problems that may arise when a check-off clause comes up at a collective bargaining session.

Related problems and their solutions

In spite of the above mentioned problems, most employers who have worked under the check-off system for any period of time feel that it is well worth the additional work of extra bookkeeping and other expenses that are necessary to keep this method of dues deduction in operation. When shop stewards were collecting the dues there was always the problem of some steward walking off with his or her collections, which usually led to a great deal of confusion and generally ended with the union demanding the dismissal of the wayward steward. Then there was the problem of the stewards leaving their jobs in an attempt to round up union members who were delinquent with their payments. In coal and other industries where spontaneous "button strikes" occurred when union men refused to work alongside of men who could not show proof of their membership in good standing, the system was greeted with open arms. These strikes usually caused delays, shutting down production for several hours, and many times demands from the union of dismissal

² Lennard Smith, Collective Bargaining, Prentice Hall, Inc., New York, 1946, 74-76.

of the delinquent employees. The union, where it had closed or union shop agreements, was completely within its rights and as a result the employer found himself left with no other choice than to discharge the tardy employees. For reasons such as these the employers have come to realize that the check-off has aided them in establishing industrial harmony almost as much as it has aided the union in becoming a financially sound organization.³

For reasons such as these it appears that management is usually willing to bear the entire expense of the check-off. In most cases the union is not obligated to share in the expense involved in administering the check-off. In a list of sample clauses found in a United States Department of Labor Bulletin, however, there was one clause that read as follows:

The company will, starting in March 1945 and each month thereafter deduct from each man who the union certifies was a member of the union in good standing at the end of the withdrawal period, his union dues in an amount not exceeding \$..... per month and will promptly turn over that amount collected to the secretary of the union less five (5) per cent charged for collecting same.⁴

As in the above sample, several of the contracts have the amount that may be deducted stated within the clause. Another of the samples given in the said Bulletin states that a worker, in order to be eligible to have

³ McAllister Coleman, Men and Coal, Farrar and Rinehart, Inc., New York, 1943, 226.

⁴ United States Department of Labor, Union Security Provisions in Collective Bargaining, Bulletin #908, Bureau of Labor Statistics, 42.

his dues deducted, must have worked at least five days in the last two pay periods. If the worker has not worked at least five days the company may either deduct the amount from the worker at some future date or send the union a slip stating that the worker has not worked a sufficient number of days to have his dues deduction made and ask the union if they wish a double deduction made at one of the next pay periods.⁵ This type of arrangement would alleviate the difficulties that might arise when the question is asked as to how many days a worker must actually work before his union dues will be deducted.

Among other sample clauses found in this Bulletin are clauses whereby the union promises to indemnify the company from any errors made through union bookkeeping, clauses providing for the escape periods demanded by the Labor Management Relations Act, and clauses allowing for a majority vote of the membership of the bargaining unit before the check-off may be considered a legal part of the contract.⁶

In most cases the union takes the responsibility of having the authorization forms made out and printed, however, there are cases where management also bears this expense.⁷

5. Ibid, 42.

6 Ibid, 43-48.

7 Collective Bargaining Contract between Webster-Chicago Corp. and International Brotherhood of Electrical Workers Local 1031.

The check-off provision, like all other collective bargaining clauses, should be carefully studied as to form before it is inserted into a contract. The wording should be as exact as possible to avoid misunderstanding and later difficulties that may arise due to misinterpretation.

The general meaning of the check-off is easily understood, but in actual practice a poorly worded contractual clause may undermine all the good and harmony that the check-off is capable of achieving. The amount of care that should be exercised in the construction of this form of contractual clause cannot be overemphasized.

CHAPTER IV

FEDERAL LEGISLATION AND DECISIONS OF FEDERAL COURTS AND BOARDS UPON THE CHECK-OFF

The Check-off in the Railroad Industry

In 1926 the Railway Labor Act outlawed the check-off and all other forms of union security.¹ In 1934 the Brotherhood of Railroad Shop Crafts argued that this section of the Railway Labor Act was unconstitutional on the grounds that it violated the fifth amendment to the Federal Constitution. The union's case rested on the contention that the union membership was not obligated to participate in the check-off and that the exercise of unwarranted interference or influence contrary to the policy of the Act could not therefore be involved. The Court found that:

There was a continuous persistent form of interference, influence, and coercion destroying freedom of contract thought, and action safeguarded by the Railway Labor Act in matters of negotiating and bargaining between the railway and its employees, toward which the interdiction of the statute was directed, held, as against such contention, that the power of congress over interstate commerce had been legitimately exercised. It was held that no right as regard to contract, made previous to the enactment of the statute, was taken away without due process of

1 Sec. 2, Eleventh, Railway Labor Act, May 20, 1926, Prentice-Hall Labor Course, Prentice-Hall, New York, 1951, 30, 114A.

law, contrary to the Fifth Amendment to the Federal Constitution.²

With this court decision the Railroads and the Brotherhoods seem to have resolved themselves to the formula laid down by the Act. There seem to be no other cases involving the check-off until the 1951 amendments to the Act. On January 10, 1951, Public Law No. 914, 81st Congress Second Session abolished the provision outlawing the check-off in the Railroad Industry.³ The voluntary revocable check-off is now legal in railroad negotiations.

Legislation with Respect to Industry Engaged in
or Affecting Inter-State Commerce

The National Labor Relations Act , or the Wagner Act as it is better known, left the check-off free from governmental restrictions. In the years that followed the enactment of this legislation it became clear that some prohibitions were necessary to regulate union activity. In 1947 the Labor-Management Relations Act, or the Taft-Hartley Law as it is more frequently called, was passed. With regard to the check-off, the Act states that the voluntary revocable clause is not unlawful. The Act states that deducting money from the wages of employees with respect to membership dues in

² Brotherhood of Railroad Shop Crafts vs. Lowden, CCA, 10th, 86 F 2nd, 458, (1934); Cert. Denied, 300 U.S., 659.

³ Prentice-Hall Labor Course, 30 20ⁿ.

a labor organization is not unlawful, provided;

That the employer has received from each employee, on whose account such deductions are made, a written assignment which shall not be irrevocable for a period of more than one year, or beyond the termination date of the applicable collective agreement, whichever occurs sooner.⁴

There have been several court and board decisions relating to this clause in the Act which will be cited later in this chapter, but at this time it might be more appropriate to give the opinion of the Department of Justice as relating to this clause of the Act.

Section 302 of the Labor-Management Relations Act of 1947 does not prohibit an employer from honoring check-off authorizations signed by an employee which provides that it may be revoked at the end of one year, but if not so designated it shall continue to be revocable from year to year until revoked during the period designated for annual revocation.

The term "membership dues" in Section 302 (c) 4 of the Labor-Management Relations Act of 1947 includes initiation fees and assessments as well as regular periodic dues, particularly where the union constitution provides that such fees and assessments are included in the term "membership dues". The check-off of membership dues is permissible notwithstanding the general restrictions on payments to employee representatives.⁵

Federal Court Decisions Relating to the Check-off

The first case relating to the check-off appeared in 1921 before the U. S. Circuit Court of Appeals for the 7th Circuit. In this case the company asked for a temporary restraining order enjoining the union from

⁴ Ibid, 30, 407, (Labor-Management Relations Act of 1947, Sec. 302 (c) 4).

⁵ Justice Department Opinion, (1948), 22 LRRM 47.

sending funds checked-off into West Virginia and Kentucky to organize non-union mines. The court ruled that:

(W)ith reference to the attack upon the Check-off provision of the union contract with the mine operators (under which the members of the union voluntarily assigned amounts from their wages to meet the union dues and directed the employer to pay the amounts thereof to the treasurer of the union) if the bargaining of one of the parties were not free, by reason of the greatly preponderant power of the other, the legislatures....and the congress might consider whether public interest requires of justifier the limitation of the otherwise existing freedom of contract by abolishing the Check-off as subject matter of contract, in similtude to the abolition of the truck stores, dangerous appliances, unsanitary working conditions, exhaustive hours, etc., as permissible subject matter of contract.....

The Check-off of union dues is not made wrongful by reason of the fact that some of the money so obtained by the union is expended in illegal activities.⁶ The act is not proximate cause of the matters complained of.....

The question has arisen from time to time as to just who is eligible to have dues checked-off. In a case involving the Boston Edison Company the problem arose as to whether working supervisors are exempt from paying union dues under an all inclusive check-off provision in a collective bargaining agreement. The court decided that the supervisors were not included, since they could not be considered members of the bargaining unit.⁷ In some cases, however, the courts have decided that all employees should share in the costs of maintaining the bargaining unit whether they are members of the

⁶ Gasaway vs. The Borderland Coal Corp., CCA 7th, (1921) 278 F. 65.

⁷ Standford vs. The Boston Edison Co., Mass. Sup. Jud. Ct., 17 LRRM 735, (1946).

union or not.⁸ The Connecticut Supreme Court of Error in 1948, however, said that a union represents only the employees in the bargaining unit, and non-union employees both within and outside of the bargaining unit should not be compelled to pay union dues.⁹

In the last few years there have been an ever increasing number of cases before the courts concerning "disaffiliation" of local unions from the parent bodies due to charges of Communistic affiliations or leanings of either the local or the international organizations.¹⁰ The U. S. District Court for the Southern District of New York decided in one such case that the employees who did not revoke their check-off authorizations during the escape period provided for in the contract were bound by the settlement agreement even though the U. E. had been "disaffiliated" from the CIO.¹¹ The Superior Court of California, however, allowed a temporary restraining order to be issued allowing the employer to hold up dues payments to the union involved in a "disaffiliation" case until the employer was satisfied that his employees had terminated their memberships in said union.¹² In another case before

8 Greewald vs. Chiarella, N.Y. App. Div., 18 LRRM 2218, (1946).

9 Dillon Vs. American Brass Co., Conn. Sup. Ct. Err., 22 LRRM 2308, (1948).

10 F.E. & U.E. "disaffiliation" with the CIO at the 1949 convention.

11 General Electric Co., vs. Elmspak, U.S.D.C., South N.Y., 26 LRRM 2439, (1950).

12 Howard vs. Pacific Gas & Electric Co., Calif. Super. Ct., 23 LRRM 2498, (1949).

the U.S. Southern District Court of New York the union applied for an injunction to;

- 1.) Restrain the employer from prosecuting the union's activities in the state courts with respect to check-off provisions in the contract.
- 2.) From encouraging employees to revoke their check-off authorizations.
- 3.) From failure to pay the already checked-off dues to the expelled union.

The Court decided;

The office worker's union which has been expelled from the CIO is not entitled to a temporary injunction from the Federal District Court restraining the insurance company from prosecuting the activities in the state courts with respect to the funds under the check-off provisions of the contract between the company and the union; the union is not entitled to a temporary injunction restraining the insurance company from urging its employees to revoke their check-off authorizations pursuant to the contract between the company and the union, there being a question of fact that can only be determined by trial, however, the Office Worker's union is entitled to an injunction temporarily restraining the company from failing to withhold union dues from the wages of employees under the provisions of the contract between the company and the union and paying said dues to the union, it appears that the company may have failed to do so.¹³

In a New York Supreme Court case the question arose as to what happens to the checked-off union dues when a new union is formed. The Court decided that the dues should be distributed between the two rival unions in a manner decided upon by the unions.¹⁴

¹³ Durkin vs. John Hancock Mutual Life Insurance Co., U.S.D.C., S.N.Y., 26 LARM 2192 (1950).

¹⁴ Fay vs. American Machine and Foundry Co., N.Y. Sup. Ct., 26 LARM 2263, (1950).

The question arose in Connecticut as to who is entitled to union dues checked-off when a local union becomes "disaffiliated" with the international organization. The court decided that the local union and not the parent union from which it withdrew is entitled to the check-off deductions authorized in a collective bargaining agreement which was executed by the parent union on behalf of the local union and which provided that the employer would remit the amounts collected to the financial secretary of the local union, even though every member of the local union had signed the deduction authorization which was addressed to the parent union and that union had an interest in the contract.¹⁵

The Supreme Court of South Carolina made a similar decision as early as 1938 stating that unless irreparable injury was shown, the union who had possessed the check-off authorization forms is entitled to the dues deducted regardless of who claims to be representing the bargaining group at the time.¹⁶ In a similar decision, a New Jersey court stated that even when there has been a certified change in the bargaining unit the new union is not entitled to the money deducted by the check-off provision in the collective bargaining agreement until the individual employees revoke their

¹⁵ Chase Brass and Copper Workers vs. Chase Brass and Copper Co., Conn. Sup. Ct., 26 LRRM 2190, (1950).

¹⁶ Sanders vs. Textile Worker's Organizing Committee, S.C. Sup. Ct., 2 LRRM 823, (1938).

authorization forms.¹⁷

The Pennsylvania courts have stated that the employees may be released from their check-off authorizations when the union is guilty of misrepresentation and fraud. In a case involving the United Food Workers Industrial Union, the court found that the officers of the union who organized the employees of the plant in question misrepresented their union by stating that their union was affiliated with the same union that was the bargaining representative of the other workers in the plant. The fact of the matter was that their union had been expelled from the union that represented the other workers. The court said that the same misrepresentation and fraud was present in obtaining the check-off authorizations from the men that the union had organized. The union argued that they actually had done their members a great deal of good since they were instrumental in securing for them a wage increase and it really was not misrepresentation because they believed that their local would soon be reinstated. The court said that these factors had no bearing on the case and that the officers must render an accounting of the dues received to the employees and repay them the amount stated with interest. The court continued by stating that the members of the City Joint Local Council of the union which engaged in the misrepresentation were equally guilty because they knew of the fraud and,

¹⁷ Local #60 I.U.M. & S.W.A. vs. Welin Davit and Boat Corp., N.J. Chanc. Ct., (1943), 13 LRRM 551.

in spite of their knowledge of the suspension by the national organization, continued to treat the local as a member in good standing. The City Joint Local received the sums checked-off and was ordered by the court to repay these monies to the cafeteria employees with interest.¹⁸

Contrary to the decision of the New Jersey Court in the Welin Davit and Boat Corporation case,¹⁹ the Kentucky Court of Appeals handed down a decision in 1950 allowing the employees of the Louisville Railway Company to change their check-off authorizations to a new bargaining agent. The court admitted that the authorization forms stated that the check-off was irrevocable for one year, but the court stated that the authorizations did not necessarily specify that the payment must be made to the contracting union after its authority as the bargaining agent for the employees has been revoked.²⁰

In regard to the employer's responsibility under the check-off, the courts have found that the employees have preference to all other claims when the employer goes into bankruptcy proceedings. In a case involving the Reed Furniture Company of South Carolina, the court stated that the trustee,

¹⁸ Sheeler vs. Local #107, United Food Workers Industrial Union, Penn. Ct. Com. Plts., 17 LRRM 618, (1945).

¹⁹ Local #60 I.U.M. & S.W.A. vs. Welin Davit and Boat Corp., 13 LRRM 551.

²⁰ Louisville Railway Co. vs. Louisville Area Transportation Worker's Union, Kentucky Ct. App., (1950) 25 LRRM 2487.

having taken over more funds than the amount of the claim made by the employees, must remit the amount of the claim plus interest to the employees.²¹

Decisions of National Labor Relations Board

with regard to the Check-off

The question as to the duration of the check-off as specified in the Labor-Management Relations Act of 1947 was brought before the National Labor Relations Board on several occasions. The clearest statement of the N.L.R.B. policy on this question may be found in the Crosby Chemicals, Inc. case where the Board said;

Voluntary dues deduction authorizations which are silent on the question of their duration or revocation must be interpreted as being revocable at the will of their makers. Consequently, such authorizations are lawful under Section 302(c)4 of the Act as amended which forbids check-off authorizations that are irrevocable for more than a year or the contract period, whichever is shorter.²²

Since the enactment of the Labor-Management Relations Act of 1947, the check-off must be voluntary and revokable. The Board has at times reversed itself on the meaning of this provision. An example of this is the necessity of the mention of authorization forms in a contract dealing with the check-off. The first case that appeared on authorizations was in 1948,

²¹ In Re: C.A. Reed Furniture Co., U.S. Dis. Ct. of S.C., (1948) 22 LRRM 2528.

²² Crosby Chemicals, Inc., and International Association of Machinests, (1949), 24 LRRM 1481.

when the Board said that the very execution of such a provision in a contract was in itself a misdemeanor.²³ This decision seems to have been reversed a year later when the Board said that an employer did not violate Section 302 (c) of the amended National Labor Relations Act by the inclusion of a clause in a contract with a union for the deduction of union dues without making such deduction dependent upon the receipt of individual employee authorization forms. The Board stated that only the act of deducting the union dues without first having received the authorization forms is prohibited by Section 302 (c) of the Act and so long as the employer did not actually deduct the dues, no misdemeanor was committed.²⁴ This decision was reaffirmed one year later.²⁵

Decisions of the National War Labor Board

with regard to the Check-off

The National War Labor Board also set down some general rules governing the check-off which it followed during its existence. These rules were:

- 1.) For any employee not paid on the first payday of the month, or not receiving any particular pay during the month, the deduction of

23 *G. Hager & Sons Hinge Mfg. Co. vs. International Association of Machinists*, District 9, (1948), 23 LRRM 1044.

24 *Julius Resnick Inc. vs. International Handbag, Luggage, Belt and Novelty Workers (A F of L)*, 24 LRRM 1581, (1949).

25 *Salant & Salant, Inc., vs. Amalgamated Clothing Workers (CIO)*, 25 LRRM 1391, (1950).

union dues must be made as soon as the employee is again on the payroll.

2.) The union must notify management if the employee is exempt under its regulations from paying dues when unemployed for a certain period of time.²⁶

In 1943 Montgomery Ward and Company brought a case before the National War Labor Board in which the Company maintained that the check-off was in violation of the "Domination and interference" clause of the National Labor Relations Act. The Board held that the claim of the mail order house was invalid insofar as the very language of the Act proves that the company's argument is without merit.²⁷

The Douglas Aircraft Company contended that the check-off could be used as an instrument of "oppression and hardship" because the Board had failed to limit the amount of assessments that the union might make. The National War Labor Board answered that:

(T)he union is entitled to a clause providing for voluntary deduction of dues, assessments and initiation fees, despite the contention that the Board's failure to limit the amount of assessments might make the provision an instrument of "oppression and hardship", since the American workmen do not need governmental protection against unreasonable authorizations or deductions. To fix the amounts would constitute unwarranted interference with the internal affairs of the union.

26 National War Labor Board rules on the check-off, 11 LRRM 2540.

27 Montgomery Ward & Co. vs. United Wholesale and Retail Dept. Store Employees of America, Local #20 (CIO), 12 LRRM 1969, (1943).

The union is not, however, entitled to check-off union fines.²⁸

The National War Labor Board rendered a series of decisions during its existence either granting or denying the check-off to parties engaged in collective bargaining negotiations. In the Goodall Worsted Company Case, for example, the Board denied a check-off where the union had tried to make an agreement outside of the contract between itself and its members and then forced the company to deduct the specified amounts on the basis of that agreement.²⁹

In the Hollister Steel Spring Case a regional board ordered that the check-off cards presented by the union be honored by the Company. The Company had maintained that a definite amount for the deduction should be stated on the cards and that they should be signed by the employee's spouse to be valid.³⁰

In some cases, the Board took the particular circumstances of the unit into consideration before granting or denying the provision. Such a case was that of the Consolidated Steel Corporation, in which the Board denied the check-off to the union on the grounds that the collection of

28 Douglas Aircraft Co. vs. The International Brotherhood of Teamsters, Chauffeurs, Warehousemen, & Helpers of America, Local #208, (AF of L), 15 LRRM 1590, (1944).

29 Goodall Worsted Co. vs. U.T.W. of A. (AF of L), 12 LRRM 1646, (1943).

30 Hollister Coil Spring Mfg. Co. vs. United Aircraft and Agricultural Implement Workers of America, Local 509 (CIO), 13 LRRM 1831, (1944).

union dues was the main means of contact between the rank and file member and the staff union official. To grant a check-off in such a case, the Board stated, would be actually hurting the union membership.³¹

In granting or denying applications for check-off provisions, the Board often took into consideration such factors as the attitude of the management and union representatives. In the American Brass Company case the Board granted the check-off provision because a lesser representative of the company had exhibited an anti-union attitude.³² Conversely, in the case of the Mead Corporation, the check-off was denied to the union because they had engaged in a wartime strike.³³

In the case of the United States Rubber Company, the check-off was granted as an aid to production. The Board stated that the union officers should be relieved of the burden of dues collection in order to give them more time to tend to their assigned jobs on the production line.³⁴

³¹ Consolidated Steel Corp. Ltd., vs. U.S.A. (CIO) Local #2058, 10 LRRM 1008, (1942).

³² American Brass Corp. vs. International Union of Mine, Mill and Smelter Workers, Locals 251, 445, and 423 (CIO), 10 LRRM 949, (1942).

³³ Mead Corporation vs. United Mine Workers of America, District 50, Locals 1224 and 12281, 12 LRRM 1752, (1943).

³⁴ U. S. Rubber Co. vs. United Rubber Workers of America, Local #235 (CIO), 12 LRRM 1985, (1943).

It seemed to be a general policy of the Board to award a check-off provision to a union where the company had already granted a similar provision to the union in another plant. By this means the Board attempted to standardize contracts.³⁵

The voluntary check-off awarded by the Board took two forms: revocable, as granted in the Delta Star Electric case,³⁶ and irrevocable, as granted in the Wright Aeronautical Corporation case.³⁷

The question of non-member deductions came before the War Labor Board in 1944. In the majority of the cases the Board rejected the proposal. However, there were exceptions made in cases where the union had had a previous contract embodying such a provision. Such a case was that of the Southern Colorado Power Company. In this case the Board stated:

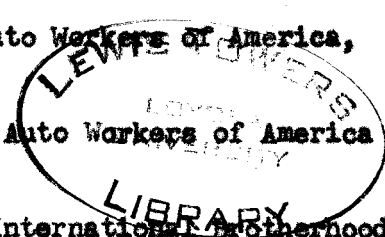
The provision in the expired contract requiring all employees to share equally the cost of maintaining the bargaining unit, including those who are not union members, is ordered continued in the new agreement in line with the Board's established policy of assuring to unions during wartime the same degree of security which they had previously achieved through collective bargaining in the pre-war period.³⁸

35 Bethlehem Steel Co. Shipbuilding Division and Industrial Union of Maritime and Shipbuilding Workers of America (CIO), 11 LRRM 1501, (1942).

36 Delta Star Electric Co. and United Auto Workers of America, Local 740, (CIO), 12 LRRM 1674, (1944).

37 Wright Aeronautical Corp. vs. United Auto Workers of America (CIO), Local 669, 13 LRRM 1600, (1943).

38 Southern Colorado Power Company vs. International Brotherhood of Electrical Workers, L.B. 667, (AF of L), 15 LRRM 1796, (1944).



CHAPTER V

STATE LEGISLATION AND DECISIONS OF STATE COURTS

UPON THE CHECK-OFF

State Laws Regulating Check-off

This chapter deals with state laws regulating the check-off and some of the leading court decisions upon these laws.

The following states have labor relations acts regulating the check-off: Arkansas, Colorado, Connecticut, Georgia, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New York, North Carolina, Ohio, Pennsylvania, Texas, Utah, and Virginia.

The following states have acts that make it unlawful for a non-union worker to be compelled to pay union dues as a condition of employment: Alabama¹, Georgia², Iowa³, Massachusetts⁴, New Hampshire⁵, North Carolina⁶,

1 Braun, The Right to Organize and Its Limits, 153ⁿ, Bradford Act, General Laws #298, Sec. 15, (1943).

2 Ibid., Georgia, H.B. 72, Sec. 11, (1947).

3 Ibid., Mass. Chapter 149, Sec. 150 (a), (1943).

4 Ibid., Iowa, S.B. 109, Sec. 4, (1947).

5 Ibid., N. H., Chapt. 212, Sec. 21, (1947).

6 Ibid., N. C., H.B. 229, Sec. 5, (1947).

Tennessee⁷, Texas⁸, and Virginia⁹. The National Labor Relations Board has also held that this type of an agreement is invalid because of its conflict with the Labor-Management Relations Act¹⁰.

In a case testing the Virginia State Law which states that no employer shall require any person as a condition of employment to pay dues or other charges of any kind to any labor organization or any labor union, the court stated; "the National Labor Relations Act as amended does not withdraw from the state legislature the power to enact legislation which prohibits all forms of compulsory unionism"¹¹. A case was brought to the courts testing the validity of the Connecticut law which required; 1.) Written authorizations, and 2.) that union dues may only be checked-off from union members. The court held this statute also to be valid.¹²

Several State Attorney Generals have rendered opinions in regard

7 Ibid., Tenn. S. B. 367, Sec. 3, (1947).

8 Ibid., Texas H. B. 100, Sec. 8(a), (1943).

9 Ibid., Virginia H. B. 23, Sec. 5, (1947).

10 Public Service Company of Colorado vs. Charles G. Smith, 26 LRRM 1014, (1950).

11 Hawkins vs. Finney, Supreme Court of Appeals of Virginia, 54 S.E. (2nd) 872, (1949).

12 Dillon vs. American Brass Co., Conn. Sup. Ct. of Err., 15 CCH Labor Cases 64, 691, (1948).

to the check-off. While interpreting an Indiana statute the attorney general of that state set down a set of requirements that the provision must meet in order to be considered valid:

- 1.) The authorizations must be in writing.
- 2.) The authorization must be signed by the employee.
- 3.) The authorization must be revocable at will.
- 4.) The authorization must be agreed to in writing by the employer.
- 5.) The authorization must be delivered to the employer within ten days after its execution.
- 6.) The authorization must be for payment of dues to a labor organization of which the employee is a member.
- 7.) It is not necessary for the spouse of the employee to sign the authorization as a condition of its validity."¹³

The Michigan attorney general's opinion is the same as that of the Connecticut attorney except that under the Michigan opinion, initiation fees must also be individually authorized.¹⁴

The Check-off With Regard to State Anti-Assignment Laws

From time to time the check-off has come into conflict with state labor relations acts and state wage assignment laws.¹⁵

A Connecticut statute forbids the involuntary check-off. In his opinion on the interpretation of this statute, the Connecticut attorney general stated in 1947 that the proviso to the assignment law does not permit

¹³ Opinion of the attorney general of the State of Indiana, Rule #617, 25 LRRM 87, (1950).

¹⁴ Opinion of the attorney general of the State of Michigan, 20 LRRM 66, (1947).

¹⁵ Leland & Gifford Co. and United Steelworkers of America, Local 2521, 15 LRRM 1532, (1944).

the compulsory check-off and therefore the individual employee must authorize all dues deductions.¹⁶

Rhode Island's wage payment law came into direct conflict with the check-off, and in a series of decisions, the Rhode Island Supreme Court declared that the check-off is invalid in that state.¹⁷ The court further decided that agents of companies outside of the state, so long as they are working in Rhode Island, are not eligible to have check-off deductions placed on their checks.¹⁸ To my knowledge, this ruling has not come up for interpretation before the Supreme Court of the United States, in which case I believe the Rhode Island court's ruling would be reversed¹⁹ because the field had already been exhausted by federal legislation.

Utah passed a law making it a misdemeanor for an employer to refuse to honor an assignment for a check-off. An employer said that this was repugnant to Section 302 (c) of the Labor-Management Relations Act of 1947. In this case, the Supreme Court of the State of Utah said in part of its

¹⁶ Opinion of the attorney general of the State of Connecticut, 20 LRRM 65, (1947).

¹⁷ Shrine vs. John Hancock Mutual Life Insurance Co., 24 LRRM 2445, (1949).

¹⁸ Chabot vs. Prudential Insurance Company of America, 26 LRRM 2496, (1950).

¹⁹ United Automobile Workers vs. O'Brien, 26 LRRM 2082, (1950), (See also: 21 LRRM 2508 and 22 LRRM 2460).

decision:

Section 302 (c) of the Labor-Management Relations Act of 1947 permits an employer to check-off union membership dues from the wages of employees who have delivered to him an assignment executed in accordance with that section; hence, state statute is not applicable to the employer and the employees in any industry affecting interstate commerce. Congress, in enacting section 302 (c) of the Labor-Management Relations Act, has preempted the entire field of legislations in regard to the check-off and thus has precluded the states from legislating on that subject.²⁰

From time to time there have been questions raised as to the check-off's validity insofar as a possible conflicting with state anti-trust acts is concerned. For example, in New York an employer brought a case to court charging that the check-off was in violation of the New York anti-trust act. The New York Court of General Session decided that the charges of conspiracy and extortion may not be premised to the collection of union dues since they are not used for personal gain and the felonious intent necessary for the conviction for such crimes is therefore wholly lacking.²¹

The New York Supreme Court had said a few years previous to the above decision that the withholding of union dues by an employer pursuant to the check-off provisions of a collective bargaining agreement merely constitutes the payment of the said dues by the union members to their organization.²²

20 State of Utah vs. Montgomery Ward & Company, 28 LRRM 2284, (1951).

21 The State of New York vs. Cassman, 13 LRRM 829, (1943).

22 O'Connell vs. O'Leary, 2 LRRM 850, (1938).

In another New York case, this one before the National War Labor Board, a company complained that the check-off violated another New York statute which makes it illegal for an employer not to pay cash wages weekly to ordinary employees. The Board said that the check-off is not a failure to pay wages and therefore dismissed the case.²³

A former Texas statute forbade the assignment of future wages, but the National War Labor Board allowed the check-off to continue if there had been check-offs in prior contracts and if the company was in the habit of deducting Red Cross, Community Chest, and War Bonds from its employees' wages.²⁴

Another Texas Act (Texas Union Regular Law, Article 515Aa, Vernon's Texas Statutes, 1943, Supplement (H-100), effective without governor's signature) stated that contracts containing check-off provisions must be filed with the Secretary of State. The Appellate Court held that this Act was invalid on the grounds that there was no public interest involved in such requirements and making deductions by an employer is strictly "a matter of contract between the parties, dependent only upon the consent of the union members, their representatives, and the employer".²⁵

23 Washburn Wire Company vs. United Steelworkers of America, Local 2063 (CIO), 13 LRRM 1657, (1943).

24 Lone Star Cement Company and United Cement, Lime and Gypsum Workers International Union, Local 60 (A F of L), 11 LRRM 1736, (1942).

25 A. F. of L. vs. Mann, 16 LRRM 634, (1945).

Government Employees and the Check-off

In Maryland a case came up before the circuit court questioning if the check-off could be validly applied to public employees. The court found that the check-off clause in the contract, since it was voluntary, was not unlawful.²⁶

The Ohio Supreme Court, however, denied a check-off in a case involving government employees.²⁷ A year later the New York Supreme Court, in a case involving the publicly owned New York Transit System stated that a voluntary check-off system of dues collection was valid.²⁸

Little Taft-Hartley Acts and the Check-off

In 1947 many states passed "little Taft-Hartley Acts" limiting union activities. In Delaware, the state labor relations act of 1947 completely outlawed the check-off.²⁹ However, this section of the act was repealed on June 29, 1949, and the issue was again restored to free collective bargaining in this state.³⁰

²⁶ Mugford vs. Mayor and City Council of Baltimore, Maryland, 15 LRRM 646, (1944).

²⁷ Hagerman vs. City of Dayton, Ohio Supreme Court, 71 N.E. (2nd) 246, (1947).

²⁸ In re: Kirkpatrick, New York Supreme Court in Special Term Part I, 23 LRRM 2216, (1948).

²⁹ Commerce Clearing House, Labor Law Reporter, 4th, 4; 41, 132.

³⁰ United States Department of Labor, Labor Information Bulletin, August, 1949, 5.

Section 6F of Pennsylvania's State Labor Relations Act has added still another method of limiting the check-off. This state requires that along with written authorizations, an election with secret ballots must be held in which the employees must state whether or not they wish to have a check-off clause included in their new collective bargaining agreement. I have not found a court interpretation of this Act, but it is doubtful that it would stand before judicial review, since it places an additional burden on a field preempted by federal legislation; i.e., the Labor-management Relations Act of 1947.

CHAPTER VI

THE CHECK-OFF AS IT IS FOUND TODAY

The check-off is an auxiliary device rather than a compulsory weapon for a union. It regularizes the collection of union dues and other assessments and does away with uncertainties as to just how much the stewards will be able to collect. With a union, like any other operating organization, it is necessary to set a budget and work within its confines. This becomes very difficult when you are never sure of your income. The check-off also diminishes the possibilities of misuse of union funds because it eliminates transactions involving large sums of money passing through too many hands.¹ The employer may either check-off the funds and send them to the local union, or send them directly to the international organization as is found in the case of the United Steelworkers of America (CIO). The international organization in turn sends the local its share of the funds. In this later method, the international organization exercises a greater amount of control over the local union. In the case of a radical local, this could lead to a more stable organization because the international would be holding the money and in this way be able to exercise a great deal of influence over the rebel elements.

¹ Morris Llewellyn Cooke and Philip Murray, Organized Labor and Production, Harper Brothers, New York, 1943, 48.

Conversely, if the local does not care for some of the arbitrary actions of the international, it is practically helpless to do anything, because any action would almost certainly lead to the international cutting off the funds that are the life line of any labor organization.² Whether the dues are sent to the international or to the local there are distinct advantages and disadvantages to either system.

Fred Witney, in his book Government and Collective Bargaining, gives his reasons why he believes that the check-off should not be subject to governmental controls.

"Government control of the check-off procedure does not serve the public interest. It does not prevent the individual worker from suffering from union abuse. Excessive initiation fees or dues, for example, are not eliminated by regulation of the check-off. With or without the check-off the worker who must maintain union membership to hold his job must pay whatever dues are levied by his organization.

"Nor does the check-off's control by the government protect the individual union member against lethargic union leadership. Even in the absence of the check-off a union member who is displeased with the method in which the steward handles his grievance cannot afford to withhold his dues. If he should do so, and assuming that membership in the union is a condition of employment, the worker stands to lose his job. It is not government control of the check-off that protects the worker against malpractices of his organization. Such protection is most effectively obtained through intensified participation by the worker in the affairs of the union. No measure of governmental control can take the place of serious membership participation in the activities of a union. Through legal regulation some unjust union practices have been justly remedied. In my opinion, governmental control of the check-off does not fall into this category."³

2 Seidman, Union Rights and Duties, 54.

3 Fred Witney, Government and Collective Bargaining, J.B. Lippincott Company, Chicago, 1951, 361.

I do not agree with Mr. Witney's opinion. I believe that there are some cases where the check-off is being used in which union membership is not necessarily a condition of employment. Using Mr. Wieney's example of a man who is dissatisfied with the manner in which his steward handles a grievance, the man may bring pressure against his union by discontinuing the payment of his dues. Under a compulsory check-off the worker would have no opportunity to do this and therefore would have no real method of bringing pressure against the union. The abolition of the compulsory check-off by the Labor-Management Relations Act of 1947 does not seem to have hurt this union security clause as it was first feared it might. On the contrary, it seems to have strengthened it, for today we find more check-offs in union management contracts than at any other time in the history of American labor relations.

Another case where the check-off may result in a disadvantage to union democracy is one in which the union's rank and file membership becomes dissatisfied with the operations of either the local or the international organization. Formerly they could make their protests felt very effectively by simply discontinuing payment of their dues. Under the check-off, however, this is impossible, at least until the next period of revocation is reached. There have been cases reported where men have left their jobs in revolt against the union. This procedure is unfair to the employer who has had nothing to do with the dispute and is left with a strike on his hands, and a situation which he cannot remedy. Cases such as this have made employers

rather hostile to the check-off.⁴

In unions where there are a great number of members working for several large concerns, such as we find in steel, coal, oil and the automobile industries, the check-off has proven to be a God-send to the union officers. It has eased their worries regarding the regular payment of dues. It has aided their stewards and given their grievancemen more time to concentrate on their duties of keeping harmony within the working force, and most important, it has allowed the union to establish for the first time a well balanced and a well regulated budget. In industries where there are only a few men working on each job, and they are working for several different employers, such as we find in the case of the building trades unions of the American Federation of Labor, the check-off would prove to be impractical. In these cases the only time the men see their union representative is when he comes around to collect their membership dues or to collect some other assessment that has been levied upon them. At other times if they wish to make contact with him, they usually have to do so by phoning the union hall and leaving a message that they wish their representative or "business agent" to contact them at their place of work. In cases like these the check-off has not been tried to any extent, and if it were, it might prove to be more of a hindrance than a help. In a case like this we probably find the greatest flaw in the check-off system. The flaw is that through the system the men might lose

⁴ Seidman, Union Rights and Duties, 59.

contact with the union and the union's representatives. This possibility cannot lightly be passed over for the danger is a real one and could rob free and democratic trade unionism of one of its most important aspects, contact between the union's rank and file and its officials. A union is a social as well as a political and economic institution. The union official should never forget this fact. The very fact that American unionism has become "Big Business" in its own right increases the danger of the possibility of its losing this important aspect of its nature.

Aside from the loss of personal contact in a case such as we find in the building trades, a poor union representative or business agent could become lax in his duties and leave the men whom he represents to deal with their employer by their own means and thereby deprive them of the protection that they are paying for. Usually the steward on the job is not trained to handle all the difficulties that might come up on a construction job. When he cannot solve a problem the union business agent should be at his side to aid him. If the steward feels that the business agent is not fulfilling his duties, all he has to do is to withhold the union dues and it will not be long before a higher official of the union will be out to see what the trouble is. The steward can then air his complaint and if it is justified, the matter will be quickly disposed of. In the case where the union dues are checked-off we find a different situation. The steward sends out a call for aid and nothing happens. He has the usual method of recourse, that is to try and find some official aid over at the unionhall, but the action is far

less prompt than if he would be able to withhold his dues collection from the local. For this reason the rank and file of the building trades unions are not as anxious as the industrial union members to have their union dues check-off.

In an industrial union an entirely different situation is present. The union representative or grievanceman is usually working alongside of the men he represents. His problem is their problem and even if it only involves one or two men in a distant part of the department, these men can soon contact him and have a close enough personal contact with him to see to it that their problem is taken care of. In a case such as this, it is of as much value to the grievanceman as it is to the individual employee that the trouble be cleared up as quickly as possible. In the industrial union the fear of loss of contact is greatly alleviated by the proximity of the working force, and one of the greatest obstacles in the path of the check-off is therefore relieved. Moreover, the check-off actually helps both the rank and file member and the representative in this situation since it gives him more time to help the men with their grievances and relieves him of the responsibilities and drudgery of dues collection.

For the above reason I do not believe that I would be presuming too much to make the statement that the check-off system is more applicable to the industrial than it is to the craft or trade form of American unionism. There have been cases where the check-off has worked very well in trade unions; for example, where a group of machinists are working in a production

shop. Although the men are skilled craftsmen, the nature of their work has brought them closer to an industrial form of unionism than they are to their native craft union form. In a case such as this, the check-off might prove to be just as workable as it would in a steel mill.

In any case where you find vast numbers of men working in close proximity, the check-off usually proves to be the answer to the union officers' prayers. However, where the workmen are scattered over a wide area, the check-off might not prove beneficial. As a matter of fact it might prove to be detrimental.

The check-off has evolved from the growth of organized American Labor. Today we find that unions' monthly incomes run to some fifteen millions of dollars. This vast sum requires an enormous amount of bookkeeping, analyzing, investing, and financial planning. It also calls for the development of the necessary and appropriate techniques, one of which is the check-off system.

Unions borrowed the method of dues collection from management. They applied it to their own particular problems and found it in many cases to be equally advantageous. In other cases they found the system to be impractical to the peculiarities of their particular organizations and discarded it. Management accepted the check-off of union dues grudgingly at first and in some instances, such as during the "Open Shop" drive of the nineteen-twenties, attacked the system as being un-American.

In some cases the check-off is still being fought as is the entire

concept of unionism. But on the whole, in industries where the system is applicable, it has been accepted either as a compromise or in conjunction with a series of other union security provisions.

Every indication leads toward the conclusion that in the future we will find more and more check-offs in collective bargaining agreements. In the future it may go through another series of attacks from employer groups as it did in the past, but it has become such an integral part of our union movement that it seems destined to grow with the organization of our mass production industries. The check-off is one union security clause that seems to be here to stay.

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VI. COLLECTIVE BARGAINING CONTRACTS

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October 6, 1959

My dear Presidents:

At the beginning of each school year it is the wish of the Lewis Towers Intramural Board to reacquaint the members of your organization with the athletic facilities available to them on this campus. The physical properties of the Chicago Avenue Armory Gymnasium, 234 E. Chicago Avenue, are at the disposal of male students from 10:00 A. M. to 5:00 P. M. each school day. Sports equipment available includes the following: basketballs, footballs, softballs and bats, volleyballs, chess and checkers sets, table tennis sets, badminton equipment, climb ropes (soon), shuffleboard sets, dart accessories, tennis rackets and balls (soon) and other miscellany. A striking bag and a piano are also in the game room. Towels and soap are provided as a service to LT students in addition to baskets for storage of personal athletic equipment.

For the first time at Lewis Towers twelve IM sports will be offered each semester for the male students of the downtown campus. The entire list of activities and their starting dates is included with this letter. The Spring twelve sports and their starting dates will be published by December 1.

Again we must congratulate the College of Commerce on giving us the sweepstake team and individual champions (Delta Sigma Pi and Bob Buckley of the EVJ, respectively). We urge the Arts students to take a more active part in the Intramural program. Although the LT Arts men do not have an established Physical Training program we trust the voluntary participation in the IM activities may be as rewarding to them individually.

It is our aim to provide the students at the Lewis Towers campus with the opportunity to enter into these extra-curricular activities which do promote skills as well as congeniality among students. In the city-type school such as Loyola IM sports offer the chances for personal development outside the academic area and should be vigorously pursued.

Cordially,

Robert Scodro '60
LT Intramural Manager