ESSO FLEET NEWS

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ETMU-SIU Charges Company with Unfair Labor Practice NLRB Election Stalled

Following last week's meeting at the Labor Board's office in New York, it looked as if a speedy election would be ordered to resolve conflicting representation claims. However, the Company received a letter from the Board on Monday morning, September 21, advising that an election would not be held pending an investigation of charges filed by one of the parties, Esso Tanker Men's Union—SIU. The exact nature of the charges was not revealed.

[According to an item in THE NEW YORK TIMES of September 23, the ETMU-SIU charges claimed that "the Company had 'participated and assisted' in the formation of the Esso Seamen's Association, another group seeking representation for maritime workers employed by the Company . . . In its complaint . . . the Union accused the Company of 'refusing to bargain in good faith during three months of contract negotiations'. It (the ETMU-SIU) said the refusal and 'the establishment of a Company-dominated Association were part of a plan' to supplant it as the collective bargaining representative for unlicensed seamen in Esso's American flag tanker fleet."]

It is customary when charges are made by a union for the NLRB to furnish the company with a bill of particulars and assign an investigator to the case. The investigator interviews the complaining party—in this case the ETMU-SIU—and then the respondent against whom the allegations are made. After getting all the facts by informal meetings with all concerned, the Board's Regional Director decides if a formal complaint should be issued. If so, a Trial Examiner is assigned to the case from Washington and formal proceedings begin.

After all of these legal steps and on the basis of evidence taken under oath, the Trial Examiner decides whether the charges are without basis or should be sustained. He then recommends final action to the National Labor Relations Board. The parties involved may file exceptions to his recommendation. The Board makes a final determination and either dismisses the charges or issues a cease and desist order on the respondent.

All of the required legal steps usually take quite a few months to accomplish. In view of this, the Company's desire to have the representation question settled quickly by an NLRB election will probably not be met. This development is disappointing in the light of last week's events when all parties to the controversy seemingly wanted to have an early election.

At the informal hearing, held last week before Arthur Goldberg, of the Second Region, NLRB, three contenders for exclusive bargaining rights for the unlicensed personnel appeared. ETMU-SIU was represented by Charles Gallagher, Howard Schulman and Arthur Barbenal; the ESA by Lester Payne and John J. Collins and the NMU by Vice President Shannon Wall, of that union. A number of seamen from the three organizations also attended.

Mr. Goldberg noted that only two petitions had been filed, one by the ETMU-SIU and one by the ESA. However, Mr. Wall, of the NMU, stated that his union had a number of cards signed by Esso seamen designating the NMU as their choice to represent them in collective bargaining.

The Board's representative noted that the only point on which the ESA and ETMU-SIU petitions did not agree was the question of including Stewards in the bargaining unit. The ETMU-SIU attorney, Mr. Schulman, added that, in addition to objecting to Stewards voting in an NLRB election, his client also objected to including unlicensed men who had served temporarily as licensed officers.

The NMU representative did not give his opinion on either point. It was brought out later in the proceedings that both the NMU and the SIU include Stewards in their labor contracts with maritime employers.

The Company pointed out that Stewards had always been included in past labor agreements covering unlicensed personnel. To facilitate a speedy election, the Company would go along with whatever bargaining unit the contending unions would agree upon.

After a lengthy discussion as to the Steward's duties on board ship, the question of temporary licensed officers was taken up. The Board's examiner asked the parties to state their views on this matter. The ETMU-SIU position was, as Mr. Schulman had already stated, that all unlicensed men who had served as temporary licensed officers should be excluded. However, he declared that his union had an open mind on the question. ESA's position was that all unlicensed men, regardless of temporary officer service, should be included. However, ESA indicated that, if the men had served longer than six months during the past year, perhaps they might be excluded. On this question the Company agreed to furnish information as to duration and type of service of temporary officers to the Board in the interest of resolving the matter of their voting rights.

The question of temporary employees was briefly discussed but no conflicting positions developed. On conclusion of the conference it appeared that all the parties agreed that, if the question of Stewards and temporary officers could be resolved, a "consent election" could be held by the Board; otherwise, a formal hearing would be held on Thursday, September 24. (A "consent election" does not require a formal hearing.) The examiner suggested that the parties meet with him informally on Tuesday morning, September 22, to settle all details of a "consent election" or, failing agreement, to start formal hearings on Thursday of that week. These meetings were cancelled, however, when the ETMU-SIU made its charges against the Company.

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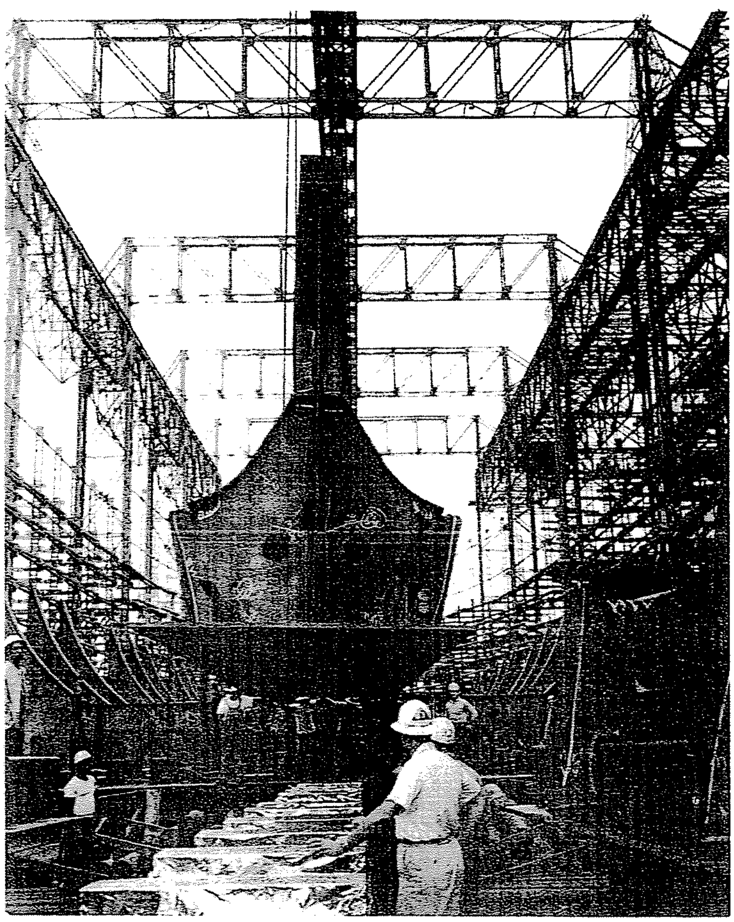

Keel Laid For First 47,000 Tonner

First sections of the keel and, bottom of Hull No. 540, which will be Esso Standard's first 47,000 dwt. tanker, were laid at the Newport News Shipbuilding & Dry Dock Co. on September 8. The vessel will have a length of 740 ft., beam 102 ft., depth 50 ft. and a volumetric cargo capacity of 402,000 bbls. Completion is scheduled for July 1, 1960. A second sistership will enter service about four months later. (NOTE: That's aluminum foil on the keel blocks to prevent corrosion of the bottom by moisture coming through the wood.)

The New Labor Law

You have probably heard a good deal about the new labor law, which was recently passed by Congress and signed by President Eisenhower on September 14. Known as the labor reform bill — or, officially, the Labor-Management Reporting and Disclosure Act of 1959 — the new law has among its provisions the following:

Equal rights and privileges for union members, subject to reasonable rules and regulations in union bylaws. Rights include freedom of speech and assembly, secret voting on any increase in payments to the union, protection of right to sue if member has exhausted internal procedures (not to exceed four months) and safeguards against arbitrary discipline by the union.

Requires unions to file annually and give to members report of financial operations, including payments and loans to officers and certain personal transactions of officers and their families. Secretary of Labor may investigate accuracy of reports.

National unions holding trusteeships over local unions must file reports with the Secretary of Labor. The purposes of trusteeships are limited to correction of financial malpractice, to assure performance of collective bargaining agreements and to restore democratic procedures. Trusteeships are limited to 18 months unless trustees prove continuing need. Civil suits by the Secretary of Labor are authorized for enforcement purposes.

Requires local unions to elect officers by secret ballot at least every three years and parent organizations at least every five years. Provides for observers at polls and ballot counts and for other safeguards. Forbids discrimination among candidates in the use of membership lists and spending of union funds to promote any candidacy for union office.

Unions must provide adequate procedures, subject to court review, for removal of officers guilty of serious misconduct. Secretary of Labor may investigate complaints of violations and bring civil action.

Union officers and agents are considered to be trustees of union funds. The theft of union property is made a federal crime. Individual union officers and employees handling union funds must be bonded. Unions are prohibited from making loans to their officers for amounts in excess of $2,000.

New Amendments

The new law also included some amendments to the present labor law. Among them were:

The "jurisdictional no-man's land" question has been resolved by permitting state courts and agencies to process, under state laws, labor-management cases declined by the National Labor Relations Board because they are too small. The Board is not permitted to widen the area of state jurisdiction beyond existing limits.

Employees are not required to perform work that was "farmed out" to their employer by another employer who is engaged in a labor dispute.

It is an unfair labor practice, subject to mandatory injunction, for a union and an employer to agree that the employer will not handle, sell or transport the products of another employer or cease doing business with him.

Employees who strike for "economic demands" and who have been replaced in their jobs retain the right to vote in their previous place of employment for 12 months from the start of the strike.

Organization and recognition picketing is banned where the employer has lawfully recognized another union, when an NLRB election has been conducted during the preceding 12 months or where picketing has been conducted for a reasonable period (not exceeding 30 days) and the union has not requested a representation election.

News From Jersey Standard Affiliates

A new affiliate, Esso Saharienne, and two other French companies were recently granted an exploration permit by the French government on a concession covering 7,940 square miles of the French Sahara. The concession is in the Grand Erg Oriental area (which in English means Great Eastern Sand Sea) along the Tunisian border.

Esso A.G., the West German affiliate, has announced plans to build a large refinery at Karlsruhe. The new refinery will be supplied with crude oil by a new pipeline from the Mediterranean. The pipeline, generally referred to as the South European Pipeline, is being planned by a group of 16 U. S. and European oil companies. It will have its starting point near Marseilles and will run some 475 miles to refineries at Strasbourg and Karlsruhe. Jersey Standard's interest in the pipeline will be about 28 percent. If all goes well, the Karlsruhe refinery and the pipeline will be "on stream" in January, 1963.

Standard-Vacuum Oil Company has joined other interests to search for oil on a 110,000-square mile concession in South Australia and Queensland.

Aramco will build at its Ras Tanura refinery the first plant in the world to make refrigerated liquefied petroleum gas for tanker shipment.

Esso Standard S.A. has presented a proposal to build a refinery at Corinto, on the west coast of Nicaragua.

Humble Oil has expanded its marketing operations into Arizona.

Top Officers Named For New Humble Company

Formation of the initial seven-man Board of Directors of the new Humble Oil & Refining Company (Delaware) was announced September 21. The new Humble Company was organized on September 4 with the ultimate purpose of consolidating all the exploration, producing, manufacturing, marketing and marine operations of Jersey affiliates in the United States. The designated Directors are as follows:

Morgan J. Davis	President and Director
John W. Brice	Exec. V.P. and Director
William Naden	Exec. V.P. and Director
C. E. Reistle, Jr.	Exec. V.P. and Director
H. W. Ferguson	Vice President and Dir.
H. W. Haight	Vice President and Dir.
E. D. Reeves	Vice President and Dir.

Messrs. Naden and Reeves are presently serving as President and Executive Vice President of Esso Standard Oil Company. Messrs. Brice and Haight are President and Chairman of the Board of Carter Oil Company and Messrs. Davis, Reistle and Ferguson are now serving as President, Executive Vice President and Vice President of Humble (Texas).

Self-Launching Ship

The 12,000-ton *Willow Pool,* being built at the Finnboda Shipyard, Stockholm, launched herself September 10, according to a UPI report. She slid into the water six hours ahead of schedule, scattering workmen in all directions. No one was injured and the ship was secured in good shape.

Taffrail Talk

The offices of the Manager and Port Staff at the Port of New York Office will move from the tenth to the ninth floor at 156 William St. late this month. The new offices will be in space formerly occupied by the medical group . . . THE ESSO SCRANTON, first vessel in the fleet to navigate the St. Lawrence Seaway, arrived at Messena, N. Y., on the afternoon of September 19 and sailed the next morning after discharging a part cargo of heating oil . . . JAMES E. STOVEKEN, an Assistant General Manager of the Marine Department, is attending the Advanced Management Course at Harvard University's Graduate School of Business Administration.

Present marketing areas of the Jersey Standard affiliates in the U. S. which will be consolidated for nationwide operation under unified management. The plan is subject to shareholders' approval of the Jersey-Humble (Texas) merger proposal. Special shareholders' meetings will be held before the end of the year.