

EXHIBIT VIII

talk by
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It is a pleasure to be with you this morning and to speak to you briefly about the operation and activities of the National Joint Board for Settlement of Jurisdictional Disputes.

I wish that I could say that our jurisdictional dispute problems were all cleared up or at least that they were minimized.

That's not exactly the case. While we have made some progress in having International Unions adjust disputes directly, we still find it necessary to have weekly meetings. The Appeals Board is also meeting regularly.

I don't suppose that we can ever eliminate all jurisdictional disputes, but we should be able to minimize their harmful effects. That can be done by adherence to the Procedural Rules of the National Joint Board. We won't have time to go into any lengthy discussion of all of the Rules, but I would like to discuss a few points briefly.

As of March 31 of this year, the National Joint Board completed seventeen years of service to the building trades unions and the participating contractor associations -- and to the public, of course, which we all serve. The Joint Board during that period rendered thousands of job decisions, but, in my opinion, that is not its most important function. Its really important function is the day-to-day prevention of work stoppages by virtue of its procedural regulations and the adherence by both labor unions and contractors to these rules. Where they are followed and are administered in the spirit in which they were adopted there is rarely a work stoppage over a jurisdictional dispute.

While your program calls for a discussion of the national Joint Board, I always like to come back to the fundamentals on which this National Joint Board was established -- and to what it means to the affected parties.

To the Contractor it means that he can make an assignment of work in accordance with certain recognized criteria with the expectation that his assignment will be followed or that an orderly protest will be made without a stoppage of work.



To the Unions this plan provides a forum for protesting a wrong assignment of work or a place, outside of the NLRB or the Courts, to defend its claim to certain work without loss of manhours for its members because of work stoppages, picket lines and the like -- and costly legal fees.

To the public, of course, it means that the job will be completed on time -- or at least that the cause of any delay will not be a jurisdictional dispute between two building trades labor unions.

When all parties want to make this plan work, it works -- and it works well. As you know, a jurisdictional dispute is not like any other type of labor-management problem in this industry -- not like a strike or lockout over wages or working conditions. It is a family type dispute. For that reason it is more intense and frequently more bitter, since all of those affected know each other's strength and weaknesses so well. Most family type disputes are settled within the family -- and that is as it should be -- and that is what the National Joint Board encourages and seeks to accomplish. However, even family fights sometimes spill out into the streets and become real "Donny brooks." When this happens it usually calls for the "paddy wagon," the magistrates and perhaps peace bonds before order is restored. In a jurisdictional dispute in this industry the basic problem calls for "10 L's," "10 K's," and perhaps severe damage penalties.

I think this comparison best explains the reason for the existence of the National Joint Board -- an attempt by the construction industry itself -- Labor and Management together -- to settle trade jurisdictional disputes within the family, so to speak, and without spilling them out for observation by the general public, the NLRB and the courts. The Joint Board, over the years, has kept countless jobs going through its procedural rules while the question of trade jurisdiction was being settled in a peaceful manner -- without strikes and picket lines and shutdowns or work by contractors because of jurisdictional disputes.

But somewhere along the line some of the elements which comprise this industry have lost sight of the real intent and purpose behind the establishment of the National Joint Board. This remark applies equally to some contractor associations and to some unions which are trying to walk both sides of the street at the same time. That cannot be done if this Plan is to succeed and is to be preserved. Surely the brains and ingenuity on both sides of the table in the building and construction industry -- which has always prided itself on being able to do any job required of it -- should be able to solve its own disputes over trade jurisdiction.

I have no illusion that the Joint Board, the Joint Negotiating Committees, or any other person, agency or forum can eliminate jurisdictional disputes in this industry. I firmly believe, however, that by following

the orderly procedures afforded by this Plan, their harmful effects can be eliminated and our disputes can be kept within the industry while we are attempting to solve them. All of this can be done without the unwarranted expenses in dollars and man-hours, which could be directed better and more profitably toward further organization and industry improvement programs -- prestige wise and otherwise.

Cases which go to the National Labor Relations Board are those in which the contractor for one reason or another refuses to stipulate that he will observe and be bound by the procedural rules of the Joint Board, including its job decisions, in the event that a jurisdictional dispute arises on his job. Local Unions can quickly correct this situation by inserting a provision in their local labor agreements which would require that disputes over trade jurisdiction be processed in accordance with procedural rules of the Joint Board.

In my opinion, resort to the NLRB is not the answer to jurisdictional disputes in the building and construction industry. While decisions rendered to date may appear to have been to the immediate advantage of a particular craft or employer, the NLRB approach to jurisdictional questions in this industry will not solve the long-range problems involved. Based on what the NLRB has done in this field to date, it is apparent that,

1. Their procedures are too slow to be of any real benefit insofar as most building trades projects are concerned because of job schedules, completion dates, and such considerations.
2. They are too costly in terms of time consumed by the parties themselves and in legal expenses involved.
3. The decisions rendered were in effect job decisions made long after the work in dispute was completed.
4. The decisions in practically every case made affirmative awards only to the extent that the contractor's assignment of the disputed work to his own employees was upheld.

We realize that the operations of the National Joint Board are not perfect and no claim to perfection is made for it. But, despite its lack of perfection, it is the industry's own plan and the best that we have been able to achieve. Only honest and intelligent perseverance by all concerned will improve it.

It is interesting to note that on one occasion the National Joint Board is condemned by a disputant and on another occasion the National Joint Board is praised by the same disputant. When a forum such as the National Joint Board is both commended and denounced by different persons at the same time and by the same persons at different times, the only conclusion that can be reached is that the

criticisms are based on unreasonable self-interest or a lack of knowledge of the purposes, techniques and policies of that forum.

If the Unions and Employers in this industry sincerely believe in the principles on which the National Joint Board was established, it is up to them to make it work and to make it work well. If they do not make this plan work and some agency or forum from outside the industry -- unfamiliar with its traditions, practices and peculiarities -- takes over the function of settling the jurisdictional dispute problems of this industry, we have only ourselves to blame. The consequences, in my opinion, will not be to the liking of either the unions or the contractors -- and certainly not in the best interests of the building and construction industry as we know it.

As you know, the Procedural Rules of the Joint Board were amended effective April 1 of this year.

Some people seem to have the idea that since the new rules went into effect the NLRB has stepped out of the picture insofar as jurisdictional disputes are concerned. Don't make that mistake. It just isn't true. I wish it were and, frankly, we are working toward that end.

The NLRB's position, however, is still the same as it has always been. They hope that they do not have to settle jurisdictional disputes in this industry. They frankly admit that they do not have the experience and familiarity with the traditions of the industry to do so. But if we don't settle our own disputes they will settle them for us -- and in most cases we won't like it.

I will say, however, that the NLRB has given us the utmost cooperation to the limit of their legal ability.

There has been considerable criticism of the National Joint Board at various times and by various organizations. When you consider all of the elements in this industry -- each with its own axe to grind -- and the traditional and frequently bitter rivalries involved, I believe that the National Joint Board has done a fairly good job in a very difficult area during the last seventeen years.

As you know, many elements of the industry were dissatisfied with the National Joint Board for various reasons and demanded that certain changes be made in the agreement and in the Procedural Rules of the National Joint Board. Extensive negotiations were carried on for more than a year, and on February 2, 1965 an agreement was signed. I am sure that you are all aware that the Agreement was signed in the Cabinet Room of the White House; and in his remarks President Johnson stated that the agreement should limit the use of governmental dispute settlement procedures. Whether or not it will is up to us -- Labor and Management -- in this industry. Only time will tell.

The new agreement makes a number of significant changes in Joint Board procedures, most of them intended to give the panel more flexibility in deciding disputes.

The Agreement changes are:

1. The National Joint Board membership is reduced from nine to a total of five members including the Chairman. There are four members, two regular members representing labor and the two representing employers. The union members and alternates are equally divided between representatives of the basic and specialty trades, with a similar balance of representation existing between general and specialty contractors.

The two regular labor members appointed by the Executive Council of the Building and Construction trades Department are Frank Hanley of the International Union of Operating Engineers and John J. McCartin of the United Association. Their alternates are Joseph T. Power of the Plasterers and Cement Masons and Maurice Fancher of the Laborers.

The two regular employers members appointed to the Joint Board by the participating contractor organizations are Orval Auhl of Pittsburgh, selected by the Associated General Contractors, and Jack Zucker, painting and decorating contractor from New York City, who was named by signatory specialty contractors associations. Joseph R. LaRocca of the National Electrical Contractors Association was named an alternate member by the specialty contractors. The alternate selected by the Associated General Contractors is Robert Moyer of the Charles H. Tompkins Company, Washington, D. C.

2. Adoption of New Appeals Board -- An objection generally made by critics of the old plan was that a party dissatisfied with a decision of the Joint Board could only appeal for review by the same Board which had made the original decision. The amended Plan provides for a different and high level Board of Appeals where review of Joint Board decisions may be sought. The Appeals Board will be composed of five members, one General President or Representative from the basic trades, one General President or Representative from the specialty trades, one employer member from the Associated General Contractors and one employer member representing the specialty contractors.

On the Appeals Board, the two regular employer members are William E. Naumann, general contractor, from Tucson, Arizona, and Gilbert R. Olsen, mechanical contractor from Richmond, Virginia. Their alternates are Carl M. Halvorson, general contractor from Portland, Oregon, and Gerald B. Reed, Jr., Gypsum Drywall Contractor from Lowell, Massachusetts.

Appointed as the two regular labor members are General President S. Frank Raftery, who served as a member of the National Joint Board for twelve years, and William Sidell of the Carpenters. Their alternates are

John McCarthy of the Iron Workers and Homer E. Patton of the Boilermakers.

The term of all members will be for one year.

No members will participate in any case where the trade union or company of which he is an officer or representative is a party to the dispute.

The Appeals Board is empowered to review and decide any appeal from a decision or ruling of the National Joint Board or a Local Board recognized by Article IV of the Plan. There will be no appeals from Local Boards to the Joint Board.

The Appeals Board is authorized to prescribe rules as to the types of cases it will accept for review. This will enable the Appeals Board to reject frivolous or meaningless appeals and to ensure prompt action on pertinent cases.

Decisions of the Joint Board and the Appeals Board will continue to be job decisions only. The decisions of these Boards will not be considered decisions of record.

3. Rotating Membership -- Arrangements are being made to provide for a system of rotating membership on the Joint Board and the Appeals Board so that all unions and participating employer groups will have the opportunity from year to year to serve in the decision-making process.

4. Criteria for Decisions -- Criteria to be used by the Board in making job decisions, according to the new agreement, are: "Decisions and Agreements between affected International Unions attested by the Chairman of the Joint Board, established trade practices and prevailing practice in the locality." No order of priorities is fixed by the Plan.

5. The Public Interest -- The Plan declares that "The Joint Board should not ignore the interests of the consumer in settling jurisdictional disputes, but should give due regard to such factors as efficiency and economy of operation."

6. Employers to be Consulted by Unions when Making Agreements -- The new agreement also gives employers some voice in the making of jurisdictional agreements among unions. One of the complaints about the old system was that employers could be bound by agreements entered into by unions without regard to cost. The new agreement says:

"In negotiating national agreements between international unions, consultation with appropriate management groups on the making of agreements between international unions is desirable and should be carried on."

Certainly, you, as affected contractors, should be consulted and given an opportunity to express your opinion on any agreement which is going to affect your industry.

In concluding, I feel that I would be remiss if I did not take this opportunity to extend the thanks of the Joint Board and my personal thanks to your association and especially to the representatives which you furnished to help in this important industry activity -- namely, Aertsen Keasbey and your Executive Secretary, Ellwood Jones.

I can assure you that they at all times did all in their power to protect the business interests of your members. I know that on many occasions the travel requirements from New York and Philadelphia and the time spent at Joint Board meetings were most inconvenient for both of them. They did so because they recognized the importance of the National Joint Board to your industry.

Don't kid yourselves. There are many other business interests employing a variety of other crafts which are constantly and increasingly competing for work which you have regarded as yours by tradition. Keep that in mind.

It has been a pleasure to be with you this morning. I thank you for inviting me and I extend my best wishes for a most successful meeting.