

Parcel Service Strike Ends As City Wins Compromise

Deliveries for 375 Stores Start Tomorrow After 50-Day Tie-Up—Drivers Get Rise, Company Has Latitude on Overtime

By LAWRENCE RESNER

Representatives of four teamster unions and the United Parcel Service reached a formal agreement yesterday, ending a strike that had tied up the delivery facilities of 375 retail stores in New York City for the last fifty days.

Ratification meetings of the memberships involved were promptly called for today with assurances from all parties concerned—the unions and the management—that regular parcel service from the department stores and specialty shops could be resumed tomorrow.

Laurels for the final achievement of the agreement went to the city's new Labor Relations Division, whose deputy director, Theodore W. Kheel, worked out an acceptable compromise of the parties' positions in the last few days.

Following on the heels of the maritime and general trucking settlements, the parcel company agreement also meant the end of the last of the major strikes that

In its final form, the agreement provided for drivers a 33½-cent hourly increase, a forty-hour week, night differentials and arbitration of differences concerning retroactive pay, new wage scales for inside workers, and the date of a future wage reopening, if any.

On the subject of voluntary overtime—one of the most difficult issues in the dispute—the company retained considerable latitude.

This was settled with the understanding that excessive overtime was undesirable and that the company would do everything in its power to eliminate it.

It was conceded by the union, however, that overtime might be necessary because of an unanticipated volume of business or lack of personnel and equipment.

The overtime clause, which gave

Continued on Page 30, Column 1.

50-DAY STRIKE ENDS AT PARCEL SERVICE

Continued From Page 1

the company the leeway it said was necessary to maintain efficient operations, was based on a statement in a letter dated July 8, covering conditions under which it took over the R. H. Macy & Co. delivery service.

Although the strike had been in progress for fifty days, United Parcel was reported ready to resume normal service for most of the 375 stores it services in the metropolitan area.

Only about ten of the bigger stores were said to have huge backlogs of undelivered orders. The parcel service estimated that in these cases it would take two to three weeks to catch up on deliveries of parcels and four to six weeks on furniture.

Announcement at City Hall

Mr. Kheel, who had resumed his mediation efforts on Thursday and Friday, after the situation had seemed deadlocked, announced the settlement shortly after 9 A. M. at City Hall.

In the presence of management and union representatives, he said: "I am pleased to announce that the United Parcel strike has been settled. The company and all four local unions have accepted the proposal I made to them this morning."

After giving the details of the final compromise, he said: "I take this opportunity to thank all persons connected with this proceeding for the cooperation which they gave me in bringing this very difficult and complicated labor dispute to a conclusion on terms satisfactory to all concerned."

Michael J. Cashal, international vice president of the International Brotherhood of Teamsters, AFL, said: "I am elated with the settlement. It is a wonderful deal for the union."

On behalf of United Parcel, John E. Casey, president, declared:

"We regard the decision reached today through the good offices of Mr. Kheel as of great significance to all labor relation in the city. We feel that the results will be generally beneficial.

"The United Parcel Service, which makes deliveries in sixteen cities in addition to New York, has had a generation of experience with organized labor. Our policy has been consistently to promote, in so far as we were able, the principle to live and let live. Had it

not been for unusual complications, the probabilities are this strike never would have developed.

"Its fifty-day duration has been extremely costly not only for our employes, our company, and the department and specialty stores we serve, but to all consumers.

"With the few remaining issues submitted to arbitration and our men returning to work on Monday, we are glad to be able to resume our traditional friendly relationship with Locals 804, 138, 177 and 478 [of the International Brotherhood of Teamsters] and those they represent."

Confident of Ratification

Joseph Tortorella, president of Local 804, which represents most of the 3,000 drivers involved, said the membership of the union would meet at 11 A. M. today in Webster Hall, 119 East Eleventh Street. He predicted ratification of the agreement.

Mr. Tortorella had aligned himself in the dispute with an insurgent group headed by Leonard Geiger, former business agent of the Congress of Industrial Organizations union at Macy's.

However, the pact signed at City Hall bore the names of Mr. Tortorella and Mr. Geiger as well as those of the officials of Local 804 whose positions they had opposed, William Courtney, business agent, and James Hayes, secretary-treasurer.

Those signing the agreement besides the officials of the three other locals were Mr. Cashal and David Kaplan, chief economist for the international. John E. Carroll, general manager of the parcel service in New York City, signed for the company.

The United Parcel strike started Sept. 13 and at first bore some relation to the general trucking strike. The demand at the time concerned an issue for lay-offs caused by the general tie-up.

Then the insurgent movement headed by Mr. Geiger appeared and was accompanied by demands for considerable changes in the wages, hours and working conditions of the existing contract.

The international termed the dispute an outlaw strike and the company refused to have any dealings with Mr. Geiger. Later developments confirmed Mr. Geiger's strength with the membership of Local 804 and compelled both the international and the company to recognize his position.

Asked for \$60 a Week

In the original demands, formulated by the insurgent group, a \$60 wage was asked for a forty-hour-week to replace wages of \$50.50 for package truck drivers and \$51.50 for furniture truck drivers for a forty-five-hour week. The last five hours represented guaranteed overtime. Twelve other

so-called "fringe" demands also were made.

Yesterday's settlement provided a \$5.50 weekly increase for the drivers, establishing a rate of \$56 for parcel drivers and \$57 for the furniture drivers for a forty-hour week.

Inside workers already on a forty-hour week got an outright increase of \$8.50. Although this is nominally greater than the weekly increase given the drivers, in terms of an hourly increase it is less because of the five hours of overtime the drivers had incorporated in their new scale.

The unions demanded that the inside workers receive an equivalent hourly increase, which means that the arbitration panel must decide between the \$8.50 granted and the \$13.20 asked by the union.

The arbitration will determine also the amount of retroactive pay the strikers finally receive. The company offered a flat \$8.50 weekly for the period between June 27, when it took over the

Macy delivery service, and Sept. 13, the date the strike started.

The union has asked for "penny for penny" retroactive payments. Based on the new hourly and overtime rates, this would amount to a minimum of about \$16 weekly for the drivers.

The arbitration will decide also if there should be a wage reopening before March 31, 1948, the date the contract terminates, and the question of pay for time lost during the strike.

All night workers, whether drivers or inside workers, will receive a 7½ per cent night cash differential.

The first ratification came last night from Newark, where 250 members of Local 177 accepted the agreement but continued to picket Bamberger's until votes from the other unions become official.