

A STUDY OF LABOR-MANAGEMENT
RELATIONS IN THE HOTEL INDUSTRY

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HOTEL INDUSTRY

By

George Frederick Davis

AN ABSTRACT

Submitted to the College of Business and Public Service
Michigan State University of Agriculture and
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Approved

R. W. Wilson

ABSTRACT

Labor-management relations in the hotel industry have undergone several periods of change as the American hotel industry developed. Out of the changes a set of procedures and practices concerned with collective bargaining have developed. Hotel unions and collective bargaining in the hotel industry have only recently achieved significant importance. The most significant change was due to a recent activity generated by the Hotel, Restaurant Employees and Bartenders International Union in the Miami Beach case. As a direct result of this case the National Labor Relations Board now asserts jurisdiction over hotels that have gross sales of \$500,000 or over, and/or small hotels which are considered an integral part of a chain system having \$500,000 annual gross sales. The purpose of the study was to illustrate the historical development of collective bargaining in the hotel industry and to identify current practices followed by labor and management in implementing the collective bargaining process.

Information for the study was obtained through the use of library research, interviews and correspondence with representatives of the American Hotel Association, various union officials, and individual hotel managers.

The following are the major conclusions:

1. The development of the American hotel and unionization of employees were concurrent in nature. Unionization in the hotel industry followed the general pattern of the national trade union movement but it has tended to lag behind unionization in other industries. Since the passage of the Wagner Act in 1935, membership and activity of the Hotel, Restaurant Employees, and Bartenders International Union has increased tremendously. The increase in union membership during this period may be partially due to the fact that hotel unions have been satisfying the individual needs of its members.

2. Collective bargaining has been used in the hotel industry to settle labor-management disputes in metropolitan areas since the 1930's. Further emphasis was placed on collective bargaining in the hotel industry following the Taft-Hartley Act of 1947.

3. Hotels in metropolitan areas are represented in collective bargaining by employer associations, and hotel employees are represented by Trades Councils or Joint Boards.

4. Hotel labor agreements follow a uniform pattern. The clauses of the 22 agreements studied include seven major sections. The uniformity of the agreements may be due to

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the influence of the International Union which serves as a clearing house, provides legal aid and research services to the local unions.

5. The hotel labor agreement helps preserve labor-management peace through mutual understanding and machinery for the settlement of grievances and disputes.

Labor relations in the hotel industry are today relatively peaceful and harmonious. The future will depend primarily upon the degree of cooperativeness between all interested parties.

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...collective bargaining has become a way of industrial living. A major segment of the American public entrusts its livelihood to this technique. Thus, the study of collective bargaining offers rewards both to the theoretician and the participants. An understanding of collective bargaining is becoming a necessity to everyone who reads a newspaper or casts a vote.

Edwin F. Beal and Edward D. Wickersham, The Practice of Collective Bargaining, (Homewood, Illinois: Richard D. Irwin, Inc., 1959), p. ix.

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CHAPTER I

INTRODUCTION

During the last 150 years the United States has evolved steadily from a predominantly rural economy to a highly industrialized one. At the beginning of the 19th Century, four-fifths of our people were to be found working the soil, while today, approximately four-fifths of our people are employees, dependent upon wages and salaries for their income.¹

Thus, our modern society finds itself dominated numerically by the men and women whose only economic security lies in their jobs. With this change from a nation of small farmers and small businessmen to a nation of wage and salary earners, there has occurred a related trend away from emphasis upon the protection and promotion of property rights toward the protection and promotion of job rights and job security. Growing out of these changes is an emerging set of principles and practices concerned with collective bargaining.

The process serves as a system of jurisprudence, which means the development of a code of rules, regulations, and precedents to govern labor-management relationships, in contrast to the authoritarian and arbitrary control which formerly prevailed in the management of the business enterprise.

¹C. Wilson Randle, Collective Bargaining, (Cambridge, Massachusetts: The Riverside Press, 1951), pp. 5-48.

Increasingly more employee groups are participating in the development of the policies and practices concerning wages, hours, and working conditions. The tool with which this process operates is in the labor agreement.

The Problem

The changes that have occurred in manufacturing and other industries have been well noted; however, very little has been written about the changes in the hotel industry. It is the intent of this study to show the historical and current relations of labor and management in hotels.

Hotel unions have been in existence since 1866, but only recently have they achieved significant importance. Historically, hotels were considered intra-state in nature and thereby were subject to the state laws in which they operated. However, due to recent activity generated on the part of the Hotel, Restaurant Employees and Bartenders International Union, the Supreme Court of the United States ruled that the NLRB could no longer refuse to assert jurisdiction over the hotel industry. As a result, hotels that do an annual gross business of \$500,000, or smaller hotels that are considered an integral part of a chain system doing \$500,000 annual gross business, are now subject to Federal laws. Because of this recent development, the problem in this study is to determine the effects of the historical development of collective bargaining in the hotel industry and to identify the current practices followed by labor and management in implementing the collective bargaining process.

The author proposes to study the problem by examining the historical factors affecting labor-management relations, by identifying the specific participants involved in the bargaining process and by examining the methods used in negotiations. Furthermore, an analysis of the basic clauses in hotel labor agreements will be made to reveal the areas in which bargaining takes place. To conclude the study, the final agreement will be examined for special problems in administration of the agreement.

Definitions

The interpretation and meaning of certain terms are crucial to the intent of this thesis. The more important of these terms are defined here to establish a context for discussion.

1. Association Agreement - An agreement negotiated and signed by an employer's association, as the agent of its members, with the union or unions representing the employees involved.
2. Bargaining Agent - The union which is either recognized voluntarily by the employer or designated by the NLRB as the exclusive bargaining representative of the employees in the bargaining unit.
3. Bargaining Rights - The legal rights of employees to bargain collectively with their employers through representatives of their own choosing.

4. Closed Shop - A form of union security wherein the employer agrees to hire and retain only union members in good standing.
5. Collective Bargaining - A method whereby representatives of the employees (the union) and employer determine the conditions of employment through direct negotiation, normally resulting in a written agreement setting forth the wages, hours, and other conditions to be observed for the duration of the agreement.
6. Dispute - A disagreement between an employer and the union.
7. Employers' Association - An organization of hotel employers whose primary purpose is to carry on labor relations with unions organized on a city wide basis.
8. Fringe Issues - Benefits supplemental to wages received by workers at a cost to employers.
9. Hotel Labor Agreement - A written agreement between the union representing the employees and the employer, specifying the terms and conditions of employment, union status, method of dispute settlement, and other topics.

10. Industrial Jurisprudence - The common law of labor relations as developed by decisions on day-to-day problems.
11. Joint Board - An organization of representatives from the various locals of the hotel union. Sometimes called District Councils.
12. Labor-Management Relations - The relations prevailing between management, the employees, and the union. Sometimes referred to as "labor relations," "employer-employee relations."
13. Multi-Employer Bargaining - Collective bargaining between the union and a group of employers.
14. Recognition - The employer's acknowledgment that a specific union is the bargaining agent for the employees in the bargaining unit.
15. Strike - An organized walkout to enforce union demands.
16. Union Shop - A type of shop which requires all new employees, as a condition of continued employment, to join the union within a specified time period; and all employees to remain union members in good standing to retain employment.

Methods of Research

Information contained in this thesis was obtained through the use of library books and periodicals, personal communications, and interviews.

Literature. The writer conducted a comprehensive survey of all available literature dealing with the problem. The literature may be divided into six categories: (1) the work of academicians who have written in the field, (2) the literature of management organizations, (3) the literature of the union pertaining to the problem, (4) government publications relevant to this study, (5) reports of independent researchers relating to the subject, and (6) union contracts.

Personal Communications. A portion of the information was obtained by means of correspondence with the American Hotel Association, various union officials, and hotel managers.

The author found in his survey of the literature that some of the information was not current and failed to cover all aspects of the problem. Therefore, to cover the subject as thoroughly as circumstances would permit, it seemed only logical to use personal correspondence to secure new and unpublished information concerning the subject.

Interviews. Non-directive interviews were conducted with hotel managers in Chicago, Illinois, for the purpose of gathering information concerning the Chicago Hotels Bargaining Group.

Delimitations

The material presented in this thesis is designed to bring together historical and current information pertaining to unions and collective bargaining in hotels, and to make it available in compact form to all those interested in labor-management relations in the hotel industry. Certain conclusions are drawn, but no effort is made to solve any of the problems of labor or management. Within the limited scope of this study, it was only possible for the author to present various thoughts, facts, and ideas on the subject, with the hope that such material will serve in some measure to lay the foundation for additional research.

A major limitation arises from the fact that the study was restricted to union activities in metropolitan hotels that are now subject to Federal laws. This, of course, means that union activities in cities less densely populated were omitted. Obviously, then, some of the principles and practices of collective bargaining in the smaller cities may not apply since these hotels are still under state laws.

A further limitation is that every phase of collective bargaining is not taken up, nor is any particular phase discussed in great detail. To be informative, a report must necessarily cover many phases of a particular subject, regardless of how narrow the original topic may be.

Much of the material for this study necessarily comes from the scattered writings of many serious students of

collective bargaining. Thoughts and ideas deemed best suited for the purpose have been selected freely from books, periodicals, personal communications, and similar sources. Every effort has been made to insure the accuracy of all data used.

Organization of the Study

The thesis is divided into four distinct, yet intimately related parts. These are: background of labor-management relations in hotels; the structure of collective bargaining; the issues; and the contract.

The introductory section endeavors to build the historical and legal framework into which collective bargaining fits. The thesis gives attention to a brief history of both the American hotel and the development of hotel unionism in the United States. To establish a legal framework for collective bargaining, a brief history of federal labor relations laws is presented. A discussion is presented concerning the reasons why hotel employees join unions and the stated objectives of the union in order to determine if the two are compatible or different. Next, the thesis considers the methods and procedures employed by union organizers.

To implement the significance of union organization, a specific exploration is made into the bargaining organizations of the union. The New York City Hotel Trades Council is discussed. Collective bargaining in the hotel industry may be generally divided into single-employer and multiple-employer bargaining. For purposes of exposition, a detailed

study of the Chicago multiple-employer bargaining group is presented. The negotiation procedure is surveyed from the viewpoint of labor and management which, in its detail, portrays not only the employer's role, but also that of the union.

Once a contract has been negotiated in a bargaining session, it becomes a tool that designs the day-to-day interaction between union employees and their management. With this in mind, a study of 16 "standard clauses" is analyzed for implications and diversities.

The thesis describes the final agreement as to its functions and contributions to workable labor-management relations.

In Chapter VI, the contents of the study are summarized and the conclusions, based on the data in this report, are presented.

CHAPTER II
FACTORS AFFECTING LABOR-MANAGEMENT RELATIONS
IN THE HOTEL INDUSTRY

From colonial times, the American hotel has developed into one of man's most complex business institutions. In fact, it has become so complicated and costly that the elemental human reason for its existence is likely to be overlooked.² In essence, a hotel is nothing more than a group of persons working day and night to provide the traveling public with the finest facilities in comfort, service, safety, and protection. While hotels have added other functions, the basic purposes of the institution have remained the same.

In order to understand the problems arising out of labor-management relations in the hotel industry, the reader must first have a basic understanding of the development of the American hotel. The following section of this thesis traces the historical development of the hotel industry.

Historical Background and Growth of the American Hotel

The present role of the hotel in America dates back to the settlement of the colonies. The first inns built in this country were to provide lodging for the new settlers

²Donald E. Lundberg, Personnel Management in Hotels and Restaurants, (Dubuque, Iowa: William C. Brown Company, 1955), p.11.

while building their own homes. Since Jamestown, Virginia, 1621, was the first of the English colonies in America, it is there that we find the first public houses in America.³

The first inns were built in Boston and in Philadelphia, in the years 1634 and 1662, respectively. The number of inns in the colonies grew so rapidly that a law was passed stating that "no person shall keep a vitualing house without a license."⁴ Thus, all of the first colonies soon felt the need of inns for the reception of newcomers or strangers, and in the spread of the early settlements to ports, ferries and crossroads, the inns were often the first indications of the new towns.⁵

As America grew and the need for travel from city to city increased, inns or taverns, as they were called in this country, began to make their appearance along the travel routes. Even in the small hamlets along the traveled roads, well kept, comfortable taverns were available. One early traveler describes one such tavern at Bethlehem, Pennsylvania:

The tavern at Bethlehem is one of an exceeding good plan and well calculated for the convenience and accommodation of travelers. The building, which is very extensive, is divided throughout by a passage near 30 feet wide. On each side are convenient apartments, consisting of a sitting room, which leads to separate bed chambers. All these rooms are well lighted and have fire places in them.

³Elmer Nantz and H. H. Manchester, "The History of Hospitality," Hotel Management, Vol. XI, No. 3, March, 1927, p. 193.

⁴Ibid., p. 195.

⁵Ibid., p. 197.

On your arrival you are conducted to one of the apartments and delivered the key, so that you are as free from interruption as if in your own home. Every other accommodation was equal to the first tavern in London.⁶

In spite of the accommodations offered, the taverns of this period were not much more than private homes providing the guests food and lodging, but with little in the way of luxury.

In 1829, the Tremont House of Boston, opened its doors as the first modern hotel.⁷

There were two major innovations which were introduced by the Tremont House. First, each guest room was furnished with a private lock and key, and secondly, each room was provided with a free bar of soap.⁸ The Tremont House became a great success and a new age of hotel keeping was ushered in. Thus, the golden era of American hotels and hotel keeping began.

One author stated:

It was so far in front of all its contemporaries, either in America or in Europe, that it stood alone, in a class by itself, and was universally conceded to be something entirely new in the realm of hotel keeping.⁹

⁶Ibid., p. 287.

⁷Donald E. Lundberg and C. Vernon Kane, Business Management: Hotels, Motels and Restaurants. (Tallahassee, Florida: Peninsular Publishing Co., 1952), p. 3.

⁸Ibid., p. 8.

⁹Jefferson Williamson, The American Hotel. (New York: Knopf and Company, 1930), p. 13.

During the thirty years preceding the Civil War, caravansaries larger and finer than any the world had ever seen were built in all the older cities and in the boom towns that had been non-existent a score of years before. They were kept in the best of style and were full of luxurious innovations of all sorts to pamper the long neglected guest.

In 1859, the Fifth Avenue Hotel, built in New York, followed in the footsteps of the Tremont House, further marking the new era. It was the first hotel to contain a passenger elevator. Even though the elevator...

"...was merely a nut on the end of a great screw, which, as the screw turned, was carried up and down, ...it was a remarkable improvement for its day."¹⁰

First class hosteleries were soon being built throughout the country. Among them were the Astor House in New York City, the American House in Philadelphia, and the Charleston Hotel in Charleston, South Carolina.

Meanwhile, the population of the United States was growing. As the pioneers traveled West, wayside taverns continued to spring up along the travel routes to accommodate them. The taverns of the West were very crude in construction, as well as in the accommodations and furnishings offered. The taverns in no way resembled the lavish hotels of the eastern seaboard. As time passed, the frontier towns grew into cities and the taverns gave way to the luxury hotels. The development

¹⁰Mantz and Manchester, op.cit., Vol. XII, No. 1, July, 1927, p. 28.

of the Mid-west, northern Mississippi, and Pacific Coast hotels followed the development of the eastern hotels. Among the hotels built in the 1860's were the first Palmer House and Sherman Hotels, both of which were rebuilt after the Chicago Fire of 1871. St. Louis, Cincinnati, Minneapolis, St. Paul, Detroit, Cleveland, and Milwaukee, all had luxurious hotels by the late 1800's.

In the early 1900's every large city in the United States had its "modern palace" catering to the upper strata of society. The itinerant salesman traveling the country and the average middle class worker could not afford such lavishness. As a result, while the luxury hotels were being built, the older taverns continued to accommodate the less fortunate traveler. In many instances there arose a "boarding house" type of inn, usually located in the less desirable sections of a city and, like the early taverns, were family establishments offering food and lodging.

The commercial hotel was designed to meet the growing need for a decent place to stay at reasonable cost. The leading pioneer in this field was Ellsworth M. Statler, whose genius and initiative changed the whole concept of hotel keeping. Statler's hotels stressed the importance of service to the guest.

He contributed a code for the treatment of hotel guests, which changed the attitude of industry to the public, from the Nineteenth Century arrogance of "The Public Be Damned" to his idea that "The guest is always right."¹¹

¹¹Kate D. Davis, "Hotel Man of the Half Century," The Southern Hotel Journal, Vol. 30, No. 3, March 1950, p. 72.

In January, 1908, Mr. Statler opened his first hotel in Buffalo, New York, with rates advertised as "A room and bath for a dollar and a half." The Buffalo Statler was truly a modern hotel that provided comfort, service, and cleanliness for the average man at a price within his budget. Immediate public response assured the success of the Statler Hotel and initiated the development of the Statler Hotel Company.¹²

Thus, by 1910, the modern commercial hotel was on the road to success. More hotel men followed in building transient hotels until guest rooms in the United States increased by over 400,000 between 1920 and 1928. The number of guests did not keep pace with the rise in guest rooms, and by 1928 average occupancy in the country had dropped below 70 per cent. During the depression of the 1930's, many hotels took bankruptcy. Occupancy dropped from 69.5 per cent to 51 per cent.¹³

Economic recovery was slow because hotels had been over-built and most were over-capitalized during the boom years of the late 1920's. By the late 1930's, hotels were beginning to recover from the "dark years," and occupancy had climbed to 66 per cent by 1937. Occupancy rose in 1942 for the first time since 1928 to a level of 70 per cent. In 1946,

¹²Ibid.

¹³The Future Outlook of the Hotel Industry. (American Association, New York: 1946), p. 4.

occupancy jumped to 94 per cent. The occupancy rate, in 1959, was down from the 1946 peak of 94 per cent to approximately 67 per cent.¹⁴

Present status of the hotel industry. Since the development of the first public house at Jamestown, Virginia, in 1621, hotel keeping has grown in its number of employees to be the seventh-ranking service industry in the United States. The 1954 report of the United States Census Bureau shows approximately 24,778 hotels with a total of 1,500,000 rooms that can accommodate 2,000,000 guests each night and offer dining facilities for over 1,030,000 people. Hotel receipts total approximately \$2,500,000,000 per year and hotel payrolls amount to \$1,000,000,000 per year.

Of the 24,778 hotels in the United States, 11,000 have 25 rooms or more and approximately 1,500 of these have receipts totaling over \$300,000 per year. The hotels with receipts in excess of \$500,000 a year account for more than one-half of the entire industry's receipts of \$2,500,000,000. The 11,000 hotels with 25 rooms or more employ 270,000 of the 377,000 persons employed in the hotel industry and pay \$473,000,000 of the hotel industry's \$1,000,000,000 payroll.¹⁵

The dollar volume size of the hotel industry can be compared with that of the beverage, men's and boys' clothing,

¹⁴American Hotel Association, "Facts About America's Hospitality Industry," The Hotel Story, (New York: 1959) p.12.

¹⁵Bureau of Census, U.S. Census of Business, 1954, Vol. V., Select Services Trades, Summary Statistics Table 2A, C2, p. 30.

and cigarette industries. The annual dollar volume of the hotel industry is more than twice that of the total receipts of both the beverage industry and the men's and boys' clothing industry and is one and one-half times that of the cigarette industry. The annual hotel payroll is eight times greater than the payroll of the cigarette industry.¹⁶

Gerald W. Lattin, in his book, "Modern Hotel Management," states that 6 per cent of all American hotels have over 300 rooms, and 70 per cent have fewer than 100 rooms; the remaining 24 per cent range in size between 100 and 300 rooms. The total hotel industry is tremendous in size and scope, but the majority of the hotels in the industry are small businesses with 50 to 100 rooms.

Types of hotels. The 24,778 hotels may be classified by clientele served into three groups, which are: (1) the commercial hotel, (2) the resort hotel, and (3) the residential hotel. The commercial hotels account for 75 per cent of the total, resort hotels for 16 per cent of the total, and residential for 9 per cent.¹⁷

The commercial hotel directs its appeal primarily to the individual traveling for business reasons, although some commercial hotels also cater to permanent guests. The two distinguishing features of the commercial hotel relative to

¹⁶Bureau of Census, U.S. Census of Manufacturing, 1954, Vol. I, Summary Statistics Table 2A, c-2, pp. 4, 6, 20, 27.

¹⁷Gerald W. Lattin, Modern Hotel Management, (San Francisco: W. H. Freeman and Company, 1958), p. 16.

duration of guest stay are (1) a guest registers for a day or less, and (2) a guest does not sign a lease for his period of stay.¹⁸

Resort hotels, catering to vacationers and recreation minded people, usually operate seasonally and are open for either the summer or winter season, with a small number operating year-round. The majority of guests spend from one week to an entire season at resort hotels. Resorts are usually located at the shore, in the mountains, or at a spa. The resort is usually free of the large city clamor and is easily accessible by train or car.

Essentially, a residential hotel is an apartment hotel offering maid service, a dining room, room meal service, and possibly a cocktail lounge. In contrast to the commercial hotel, the guest of the residential hotel will generally stay a minimum period of one month and must sign a lease that describes the terms, duties, and responsibilities of both the lessor and the lessee.¹⁹

Historical Growth and Development of Labor Unions in Hotels

While the hotels of America have grown in size and types, so also have the problems of the manager. The inn of colonial days had been a family enterprise. The owner had been the manager; his wife the cook or housekeeper; and the

¹⁸Peter Dukas, Hotel Front Office Management and Operation. (Iowa, Dubuque: W. C. Brown Company, 1957), p. 2.

¹⁹Ibid.

children aided whenever help was needed. As the inns gave way to hotels, there was a necessity for hiring employees.

With the change from the family operation to hired employees, it was necessary to establish new relationships between the manager and his workers. During the period of change, the American hotelman employed European craftsmen and apprentices, trained in trade schools, who could cook and bake, arrange food attractively upon a plate, and serve it with skill. As a result, the majority of the catering workers were immigrants from France, German, Switzerland, and Italy. The immigrant was eager to work, and in his eyes, America was a country of wealth and promise. Though American wages were higher, employers were individualists with a sharp eye to profits and, as a result, they worked their employees very hard.

Efforts on the part of the workers to organize and gain recognition in the early years were weak and sporadic. They were faced, on the one hand, by internal dissension; and on the other, by the philosophy of hotelmen that the hotel business was unorganizable due to the nature of the business. The hotel business was not an industrial one; it was a domestic one.

In the early 1900's, hotel managers assumed that the working man was little more than a commodity of business. The philosophy was not confined to the hotel business, but to all industry. The 14 hour day and the 7 day work week

were considered inevitable. The secretary of the Buffalo Waiters Alliance reported that in 1901 there were still hotels:

where a waiter is compelled to work from five o'clock in the morning until nine and ten at night, seven days a week, for the munificent sum of \$3.00 a week. Out of this they must buy jackets and aprons and wear clean linen...²⁰

The waiter's pay was extremely low, and he often had to pay an employer to secure a job.

Fines for breakage and disobeying rules was a general practice. At places like the former Belmont Hotel in New York, a system of fines caused intense irritation among the workers. Examples of these fines quoted from Union House Union Bar are as follows:

A waiter receiving \$25 a month, with meals and tips, would be fined twenty-five cents for dropping a piece of silver, or being late on the job, or talking too much to customers. One waiter was known to have been fined \$2.00 for drinking left-over coffee and two others were fined \$1.00 each just for looking on...but not reporting it to the management.²¹

Fines also eat into the restaurant workers earnings. Girls are commonly fined for lateness, one particular restaurant exacting twenty-five cents if a girl is ten minutes late. Her pay is always cut for breakage, and in some places a certain amount is deducted weekly whether she breaks dishes or not.²²

In order to alleviate working conditions and to improve the wages paid, the hotel workers attempted to

²⁰Matthew Josephson, Union House Union Bar, (New York: Random House, 1956), p. 13.

²¹Ibid., p. 86.

²²Ibid., p. 63.

organize into worker "societies." The groups were composed of craftsmen confined to a given locality or city. One group, the Society of Cooks and Waiters, was organized in the early 1860's in Chicago, Illinois.²³ The society was composed of cooks and waiters of European descent who joined the society for companionship and fraternalism rather than for higher wages and better working conditions. Nevertheless, these societies were the forerunners of the first trade unions in the hotel field. The first local union of culinary workers, Local 57, was formed in 1866, under the name of "Bartenders and Waiters Union, Chicago." Local 57 was an independent union composed entirely of German immigrants.²⁴

The first evidence of unions joining together to advocate economic action was in Pittsburgh, in 1881. One of the unions sending delegates was the National Marine Cooks and Pastry Cooks Association, No. 1 of Cincinnati, Ohio, which embraced workers employed on the Ohio River boats.²⁵

At this Pittsburgh meeting, the Federation of Organized Trades and Unions was formed, a predecessor of the American Federation of Labor. From this original meeting advocating economic action, the following decade was a period

²³Jay Rubin and M. J. Obermier, Growth of a Union, (New York: The Comet Press, Inc., 1943), p. 39.

²⁴Josephson, op.cit., p. 3.

²⁵Rubin and Obermier, op.cit., p. 43.

of controversies and various attempts at organization leading to what is now the Hotel, Restaurant Employees and Bartenders International Union. Some of the controversies and organizational activities are illustrated in the following paragraphs.²⁶

In 1884, Assembly 7475, composed of bartenders, organized and filed application for affiliation with the Knights of Labor, the dominant labor organization of this era. The group was active mainly in the middle west and Chicago area. Trouble started immediately between the two groups. The Knights were opposed to the liquor business in any form and refused to accept bartenders. A long controversy developed, ending in the establishment of independent organizations, again reverting back to national groups composed of German, French, or Italian immigrants.

The American Federation of Labor had, in the meantime, made inroads into the membership of the Knights of Labor and called a convention in December 1890, in Detroit, Michigan. Culinary workers, as well as bartenders attended. However, because of disagreement during the convention, Julius Weiner, an official of what is now Local 2, Brooklyn, started a campaign to form a national union composed of culinary workers and bartenders.

The Waiters and Bartenders National Union was formed in 1891 from workers in the New York area. The next few

²⁶Lundberg, op.cit., p. 236.

years were devoted to the problems of various groups within the national union trying to gain control of the labor organization. Funds were misappropriated and internal strife and dissension were prevalent; all in all, the situation was serious. In 1898, the name of the organization was changed to the Hotel and Restaurant Employees International Alliance and Bartenders International League of America, with a total membership of 990 workers.²⁷ Eleven years later, internal union affairs were again running smoothly and membership was increased to 18,268. Membership continued to grow until in 1903 there were 38,571 members.²⁸

The twelfth convention of the International Union, held in 1904, represented a membership of 50,430 workers and treasury funds of more than \$40,000. A twelve-fold increase in the number of workers organized in the trade within four years. Membership continued to increase and by 1918, had reached 65,938. However, following this rapid growth in unionization was a period of declining union membership due to prohibition and allied causes.

Prior to this time, no effort had been made to organize the unskilled workers of the hotels. Cooks, waiters, and bartenders continued to be the main bulk of organized workers in the hotel field. The Industrial Workers of the World tried unsuccessfully to organize the unskilled, but their

²⁷Josephson, op.cit., p. 32.

²⁸Ibid., p. 52.

effort collapsed so quickly that only minor gains were made in the catering and hotel industries. Meanwhile, the hotel business continued to grow. Chain hotels were now in operation and the workers faced new problems in their attempts to organize.

Now, absentee ownership was developing and negotiations had to be carried on with a resident manager who simply carried out instructions. A chain hotel which made profits in one city could afford to finance a strike in one of its hotels in another city. The old style proprietor could not depend upon such financial support and was thus apt to settle more quickly.²⁹

During World War I, the hotel workers flocked to the higher paying industries engaged in war production. Foreign immigration stopped, and the Hotel and Restaurant Employees and Bartenders International Union (AFL) struggled for existence. While workers in other industries were making rapid gains, the hotel workers were unable to make any headway, especially with the threat of prohibition. On January 16, 1920, prohibition went into effect. Membership began to slip, dropping to 61,687 in 1919, to 51,302 in 1920, and to 37,743 in 1923.³⁰ By 1932, union membership had dropped to 27,000, and the International membership had reached its lowest point since 1903.

With the repeal of prohibition in 1934, and with the advent of the "New Deal" in Washington, federal administration

²⁹Rubin and Obermier, op.cit., p. 123.

³⁰Lundberg, op.cit., p. 237.

changed its philosophy toward labor and the union movement.

As Dulles said:

For the first time in our history, a national administration was to make the welfare of industrial workers a direct concern of government and act on the principle that only organized labor could deal on equal terms with organized capital in bringing about a proper balance between these two rival forces in a capitalistic society. Heretofore, labor unions had been tolerated, they were now to be encouraged.³¹

The National Industrial Recovery Act, 1935, actively encouraged employee representation and sponsored collective bargaining between employers and employees. With the enactment of the National Labor Relations Act, unions were given further encouragement.

In a strike conducted in Pittsburgh, Pennsylvania, by locals of the International Union in 1935, the Pittsburgh Hotel Association signed a contract granting wage increases to all unionized hotel workers in member hotels. As a result of this strike, membership soared in the International Union to a total of over 180,000 members by 1937. In 1938, a new and more highly developed form of collective bargaining organization was established in the hotel industry in New York City. The New York Hotel Trades Council was formed and was composed of all crafts in the hotel industry represented by one union. The New York Hotel Trades Council acted as the collective bargaining agent for all craft

³¹Foster Rhea Dulles, Labor in America, (New York: Thomas Y. Corwell Company, 1949), p. 264.

unions in the city. The Council, acting for the craft unions, signed an agreement with the New York Hotel Association granting wage increases totaling more than \$2,000,000 a year and specifying improved working conditions. Similar agreements granting wage increases and improved working conditions were signed in Detroit, St. Louis, Chicago, and San Francisco.³² Following World War II, important gains were made in the reduction of hours, the gradual increase in take-home pay, and in the introduction of health and welfare benefits. The eight-hour workday had become the standard by 1947, and the forty-hour, five-day week was almost universal in all local unions of the International. As Director of Organization, Weinberger estimated (as of April, 1954):

One-third of the entire membership is now covered by collective agreements that provide for the forty-hour week, of five days.³³

The Hotel and Restaurant Employees and Bartenders International Union is now the largest service trades union in the AFL-CIO, with 650 local unions representing over 450,000 members.³⁴

Hotel union membership has grown from less than 450 members in 1891 to 450,000 members in a little over a half

³²Rubin and Obermier, op.cit., p. 309.

³³1953 Convention: Officers Reports, p. 51.

³⁴Hotel and Restaurant Employees and Bartenders International Union, "A Message for the New Member," Your Union, (Cincinnati, Ohio, 1954), p. 5.

century. The growth has been phenomenal, but not steady, occurring mostly during periods of prosperity and experiencing setbacks in depression eras. The International Union has expanded since 1933 at a rate that is twice as rapid as unionization in other industries.³⁵

Records show that hotel labor unions have been cognizant of employee needs and have met their needs by obtaining these major gains:

1. Increase in wages
2. Better working conditions
3. Fringe benefits
4. Shorter hours

As a result, there has been an increase in union activity and bargaining in the hotel industry.

Future or continued growth of the union membership in the hotel industry will partially be determined by how well the stated objectives of the hotel unions meet the future needs and requirements of the hotel employees.

To help clarify the above statement, we can compare the reasons why hotel employees join unions with the stated union objectives. If these factors are comparable, this may possibly provide some evidence of continued or future growth.

Basic Reasons Why Hotel Employees Join Unions

Hotel workers join labor unions for a variety of reasons, varying with the individual and the prevailing

³⁵Josephson, op.cit., p. 1.

circumstances. However, the major reasons are classified as the following: to obtain employment; economic interests; protection against favoritism by management; fringe benefits; freedom of speech; leadership aspirations; job security; social pressure; and control over working conditions.

The Union controls the job through an agreement with the employer, and the worker must join the union in order to obtain employment with that hotel. Sometimes the workers are convinced that union membership is a means of furthering their own economic interests. The union may help to improve wages, hours and other conditions of work in the hotel.

Another potent motive for joining the union is the worker's interest in protecting himself from favoritism by hotel managers. Golden and Ruttenberg observe that the appeal against favoritism is "perhaps the organizer's strongest appeal." The appeal is couched in terms of:

"Join the union so you can get a square deal. When you get a contract with seniority protection you don't have to worry every morning when you get to work whether you'll have a job when you come home at night; you won't have to worry about the boss firing you because he doesn't like the color of your skin..."³⁶

In the hotel industry, where many operations are relatively small in scale, the hotel union has utilized the equal division of available work as a strong selling appeal. Favoritism in dividing the work load among available employees

³⁶Clinton S. Golden and Harold J. Ruttenberg, The Dynamics of Industrial Democracy, (New York: Harper and Brothers, 1942), pp. 128-129.

during "slack seasons" may determine the take-home pay of each worker.

The older workers find union membership attractive because of increased benefits including pensions, health and accident insurance, and life insurance that the unions obtain from management or that is provided by the unions.

Other employees join unions to provide an outlet for their "gripes" and problems, without fear of retaliation. In general, these nonpecuniary motivations may loom larger in workers' calculations than many managements of hotels have realized. The important thing is that the union is the promise of protection from arbitrary discipline.

The unions also provide workers with an outlet of expression for their aspirations to leadership. The employees may become committee heads, be elected to various offices, attend conferences and may be given community posts which are honorary and important. Union meetings give the worker an opportunity to express his feelings toward the hotel, to influence the attitude of other employees and to convert them to his political and economic philosophy. The individual alone feels especially weak in a world of mass production and mass movements. An organization provides him an opportunity to join others for the achievement of those objectives that he considers socially desirable. Jobs do not always provide these opportunities for personal actions.

Every worker fears the threat of unemployment. The loss of a job may mean financial disaster and severe sacrifice for the worker and his family. Recognizing this fact, workers desire the kind of job security that is rooted in steady employment, year in and year out, to a chance for advancement, and to the protection of his sense of dignity, which comes from the assurance that what he contributes is going to justly be evaluated and appreciated.³⁷

Often there is a great deal of social pressure upon workers to become union members. Such pressure may come from parents, relatives and friends, or from the community at large in a unionized locality. In addition to threat of social ostracism, there may also be, in certain instances, a fear of personal or property injury if the worker fails to take out union membership.

Another basic reason why hotel employees join unions is that employees want more to say about their work and the conditions under which it is performed. The workers feel that with a union they are assured of some participation in decision-making and must be consulted before certain changes are made.³⁸

Union objectives. The stated objectives of the union can be classified under these main headings: the maintenance

³⁷Neil W. Chamberlain, The Union Challenge to Management Control, (New York: Harper and Brothers, 1948), p. 98.

³⁸Ibid., p. 94.

of the organization; rationing of job opportunities; improvement of wages; and the development of a judicial system for deciding disputes over rights of individual workers.³⁹

The right to maintain a union organization is a basic primary objective, since without this nothing else can be accomplished.

A second facet of union activities involves the control and rationing of job opportunities. Hotel workers old enough to have lived through the last depression are deeply convinced that there is clearly a shortage of jobs, beyond this, "good" jobs, and that the number of people trying to get into these jobs far exceeds the number of vacancies available. In economic theory, the problem of promotion to "good" jobs would be solved through the employer's appraisal of the worker's efficiency. The employer would select the "best man for the job" at a given time. In principal, he would be free to promote or demote, to hire or discharge, on the basis of his most recent evidence concerning relative efficiency. Such reasoning implies great insecurity of job tenure and a constant threat of displacement.

It is difficult to overstate the importance attached by the workers to union controls of this nature. The feeling of independence, the relief from insecurity attendant upon the rationalization of personnel policies can be appreciated

³⁹Lloyd G. Reynolds, Labor Economics and Labor Relations, (New York: Prentice-Hall, Inc., 1956), pp. 119-120.

only when contrasted with the feeling of subservience and the despised need for bootlicking of previous days.

A third and obvious union objective has to do with improvement of wages. The union starts with the premise that economic security demands steady employment providing adequate income. Its conception of what is adequate is subject to upward adjustment.⁴⁰ Security, in this case, is not defined as subsistence, but rather progressive improvement of the worker's economic status. The union determines how large their demands should be by such things as: gains made in other industries; the cost of living; and the profits of the hotel.

A fourth sphere of union activity involves the process by which the general rules stated in the union contract are interpreted and applied to individual workers. The union is concerned, not only with a voice in making the rules, but with seeing that they are equitably applied and that the rights of individual workers are fully protected. The "grievance procedure," through which this is typically done in the hotel industry, is described in Chapter IV.

From the presentation of the reasons why hotel employees join unions and from the stated union objectives, it can be concluded that the objectives of the union and the needs of individual members are one and the same. The broad objectives of unionization are to make hotels better places in which to

⁴⁰Chamberlain, op.cit., pp. 90-91.

work and to improve the status of each individual employee. More specifically, the objectives of the individual and the union can be classified into three areas: (1) security, (2) recognition, and (3) self-expression. Security is further broken down into three components. First, economic security, or the wage issue. Employees join unions to further their own economic interests by the increase in wages and fringe benefits. The union's objective is to provide an adequate income. What is adequate is always being subject to upward adjustment. A second part of security has to do with management's personnel policies. This concerns such matters as lay-offs, rehiring, promoting, transferring, and disciplining employees. If decisions in this area are the result of favoritism, there is no security. If, however, such decisions are governed by stated rules which are enforceable by the individual or his union, there is much greater security. The union's objective is to see that the rules are equitably applied and the rights of the employee are protected. The grievance procedure is the method in which this is typically conducted. A third element of the worker's search for security involves an attempt to enlarge the amount of control over his own affairs. The intervention of his union in the decisions of management is one way the employee seeks to secure some measure of control over his own affairs.

The union and the individual members are both seeking recognition and self-expression. Workers want something more than an adequate wage; they want the assurance that

they won't be pushed around. They want an opportunity to participate and to contribute constructively. Recognition of the union means, at least in part, recognition of the expressions of the individual employee.

If we can accept, then, that the stated union objectives and the needs of individual members are compatible, we may reasonably conclude that hotel unions will continue to grow in membership in the future.

Another factor that may help us to determine future or continued growth in union membership is future economic conditions, in general, and more specifically, in the hotel industry. National economic activity has been increasing, but when we compare the national trend with the hotel industry, we find a decline in hotel occupancy and sales. If this trend continues, no one really knows how this will affect hotel union membership. However, it may be that continued union growth may, to a greater or lesser degree, depend upon high economic activity in the hotel industry.

Thus, it has been observed that the growth of union membership, since 1933, has been phenomenal. After the depression of the 1930's, and with legislation favoring collective bargaining, membership in the Hotel, Restaurant Employees and Bartenders Union leaped from 30,000 to 450,000 union members. Continued union growth will be influenced by a favorable labor climate in government. A discussion of labor relations laws applying to hotels would provide the

legislative background and changes in the government's control of union-management relations.

History of Federal Labor Relations Laws. The logical starting point for a discussion of governmental supervision of labor and management activities is with the Railway Labor Act of 1926. This act was an example of the reversal of the trend of legal opposition to union activity. It was based on the idea that peaceful labor relations could be attained through free collective bargaining between employers and unions in the railroad industry.

In 1932, Congress took the first general step to protect employees in their organizing and bargaining activities when it passed the Norris-LaGuardia Anti-Injunction Act, a law prohibiting federal courts from issuing injunctions in labor disputes except under the most limited circumstances. Until this law was passed, one of the most effective means of bringing union activity to an end had been court orders prohibiting such activity. Violation of such an order was punished as a contempt of court. The Norris-LaGuardia Act extended and fostered the principles of collective bargaining throughout American industry.

The National Industrial Recovery Act was passed in June, 1933. Under the Act, industry was to write its own codes of fair competition, but under these codes labor was also granted concessions. Section 7a of the Act provided that employees should be granted the right to collective

bargaining through representatives of their own choosing, free of restraint, interference, or coercion from their employers; it outlawed the yellow-dog contract by stating that no one seeking employment should be required to join a company union or to refrain from joining a labor organization of his own choosing; and it stated that employers should comply with maximum hours, minimum wages, and certain working conditions. The NIRA, however, which was hailed so enthusiastically in its early days, was doomed to failure. In May, 1935, the Supreme Court of the United States declared the Act as unconstitutional. The Act did, nevertheless, provide a background for a more important boon to the labor movement.

On July 5, 1935, President Roosevelt affixed his signature to the National Labor Relations Act, or as it is more popularly known, the Wagner Act. The Wagner Act provided all the collective bargaining provisions that Section 7a of the NIRA had provided, plus the fact that labor's right to organize and engage in collective bargaining was spelled out in greater detail. The law insured workers freedom to organize into unions, to choose their own representatives without interference and to engage in collective bargaining. The Act also set up the National Labor Relations Board to enforce the rights and prohibitions through orders enforceable in court. The same agency also was to conduct elections in which employees could cast their ballots for or against a particular union to act as their bargaining representative.

The NLRB under the Wagner Act, with certain exceptions, refused to exercise jurisdiction over the hotel industry because of its lack of a substantial impact on commerce. The exceptions to the Board's general policy of declining jurisdiction are:

In Phillips Petroleum, 97 N.L.R.B. 16, the Board took jurisdiction in a case involving employees of an apartment hotel. The hotel was operated by an oil company engaged in interstate commerce as an integral part of its building division. In the following cases, the Board asserted jurisdiction of hotel labor disputes because the establishments were located in the District of Columbia, basing its action upon the premise that it would effectuate the policies of the Act to take jurisdiction of all cases arising in the District of Columbia, regardless of the impact on commerce: N.L.R.B. V. Parkside Hotel, 179 F. 2d 15 74 N.L.R.B. 809; Raleigh Hotel Company, 7 N.L.R.B. 43; Willard Hotel, 2 N.L.R.B. 1094.

The first case in which the Board made known its reasons for not assuming jurisdiction over the hotel industry was the White Sulphur Springs Company, 1946.⁴¹ The case involved a labor dispute at the Greenbrier Hotel at White Sulphur Springs, West Virginia. The decision of the Board described briefly the general nature of the hotel's business and pointed out that over 50 per cent of the guests came from outside the state. Notwithstanding this fact, the Board stated:

Although the employer's operations are not wholly unrelated to commerce, it appears that a cessation of the employer's operations would

⁴¹White Sulphur Springs Company, 85 N.L.R.B. 288.

have such a remote and indirect effect on commerce that to assert jurisdiction here would not effectuate the policies of the Act.⁴²

In Hotel Association of St. Louis and Virgin Island Hotel, Inc. cases, the Board, in its decisions, made specific reference to the White Sulphur Springs case, emphasizing that the hotel industry had relatively slight impact on commerce.

Because of these Board rulings, the hotel industry, for purposes of labor-management relations, remained, for 24 years, under the jurisdiction of the states in which they were located.

State labor relations laws vary a great deal in scope, but the common feature of the laws is that they are administered by special state labor relations boards set up in the state labor departments. It is not within the limited scope of this paper to examine state labor relations laws.

On June 23, 1947, the Taft-Hartley Act was passed, modifying the Wagner Act, but retaining provisions granting the right of employees to join unions, to engage in organized activities for the purpose of improving their working conditions, and the right to bargain collectively on terms and conditions of employment.

When the Taft-Hartley Act was being considered in Congress, the American Hotel Association sought a specific exemption for hotels. However, the exemption was disallowed

⁴²Ibid.

on the grounds that if a specific exemption were provided for one industry, it would open the floodgates for exemption demands by other industries. Regardless of the fact that the hotel industry was under the jurisdiction of the Taft-Hartley Act, the National Labor Relations Board refused jurisdiction over hotel labor cases.

The American Hotel Association maintained that the Board's policy of declining hotel cases was based upon findings that the hotel business had little impact on interstate commerce. The Hotel, Restaurant and Bartenders International Union, on the other hand, claimed that the Board had not taken jurisdiction simply because no cases were brought to it.⁴³ Hotel Employees Local 255, Miami Beach, Florida, in 1955, used the following steps in bringing a hotel case to the United States Supreme Court. On June 29, 1955, a representation petition was filed by Local 255 with the National Labor Relations Board. The petition was dismissed on July 1, 1955, by the Regional Director of the NLRB based on a "long standing policy not to exercise jurisdiction over the hotel industry."⁴⁴

Local 255 appealed to the NLRB requesting the Board to over-rule the Regional Director, to order him to

⁴³Background Material, January 25, 1959, Washington, D.C.

⁴⁴Hotel Employees Local No. 255, Hotel and Restaurant Employees and Bartenders International Union v. Boyd Leedom, Brief of Petitioners, October, 1958.

investigate the representation petition, to hold a hearing, and to proceed with an election. The NLRB denied the union's request.

On January 12, 1956, the Local 255 filed a complaint against the Board in the U.S. District Court for the District of Columbia. They asked for a declaratory judgment, stating that the Board could not withhold its processes and the benefits of the Taft-Hartley Act on the sole grounds that hotels are involved.

The Board filed a motion to dismiss for lack of jurisdiction, or in the alternative, for summary judgment in its favor. On January 8, 1957, the District Court refused to dismiss for lack of jurisdiction, but granted the Board's alternative motion for summary judgment.

The Court of Appeals for the District of Columbia Circuit, on appeal, affirmed the judgment of the Court "on the basis of the opinion of the District Court."⁴⁵

The union took the case to the Supreme Court. A summary of the petitioner's argument was that the refusal of the National Labor Relations Board to assert jurisdiction over the entire hotel industry, in effect, engrafts a blanket exemption upon the Labor Management Relations Act of 1947 for hotels. This contravened the decision of the majority of the Court in Office Employees v. NLRB.⁴⁶ The decision of the Court in Office Employees reads as follows:

⁴⁵Ibid.

1. Labor organizations are employers under section 2 (2) of the Act with respect to their own employees.
2. The Board is without power to decline jurisdiction over an entire category of interstate employers.⁴⁶

The union argued that this decision is controlling since (1) hotels are employers within the meaning of section 2 (2) of the Act, and (2) the Board has excluded hotel employers as a class. Also, the NLRB did not have authority to dismiss representation proceedings under section 9 (c) of the Labor Management Relations Act, 1947, when a question of representation effecting commerce existed. Therefore, the Board's refusal to act was directly contrary to the plain, mandatory language of the Act. Section 9 (c) provides, in part, as follows:

Whenever a petition shall have been filed in accordance with such regulations as may be prescribed by the Board...the Board shall investigate such petition and if it has reasonable cause to believe that a question of representation effecting commerce exists, shall provide for appropriate hearing upon the record of such hearing that such a question of representation exists it shall direct an election by secret ballot and shall certify the results.⁴⁷

Local 255 maintained that the decision of the District Court was formulated contrary to the requirements of due process of law since the Board never heard evidence on the effect of the entire hotel industry on interstate commerce.

⁴⁶Office Employees v. NLRB, 353 U.S. 313 (1957).

⁴⁷Taft-Hartley Act, 1947 (Act of June 23, 1947, C. 20, 80th Congress, 1st Session, 61 Stat. 136, 29 U.S.C. 151).

Consequently, on November 24, 1958, the Supreme Court handed down its decision, reading as follows:

We believe that dismissal of the representation petition on the sole ground of the Board's "long-standing policy not to exercise jurisdiction over the hotel industry as a class" is contrary to the principles expressed in Office Employees v. Labor Board.⁴⁸ The judgment is therefore reversed.⁴⁸

The Supreme Court thereby indicated that the total exclusion of the hotel industry from the Taft-Hartley Act was beyond the Board's power.⁴⁹ The Board stated:

...acting within our statutory powers, we will assert jurisdiction over hotel or motel enterprises, exclusive of permanent or residential hotels, if the enterprise involved receives at least \$500,000 in gross revenues per annum.⁴⁹

However, two months following the Board's decision, on July 30, 1959, the Board asserted jurisdiction over the Floridan Hotel of Tampa, Inc., because the hotel was part of a chain system doing an annual gross business over \$500,000. Significantly, the decision stressed that under the Board's policy, chain enterprises are now considered as single employers for jurisdictional purposes.

One of the latest reported decisions in which the Board assumed jurisdiction over smaller hotels that are a part of a chain system was that involving the Bellingham Hotel Company in Bellingham, Washington. The Bellingham unit had an annual

⁴⁸National Labor Relations Board, NLRB Announces Changes in Exercise of Jurisdiction, Press Release 576, October 2, 1958.

⁴⁹National Labor Relations Board, NLRB Announces Change in Jurisdictional Policy with Respect to Hotels, Press Release 586, January 11, 1959.

gross of \$360,000 per year, but a controlling interest was owned by the Doric Company which managed 10 other hotels on the West Coast. The Doric system had gross revenues in excess of \$7,000,000 annually. In its Bellingham decision, the Board pointed out that the controlling organization, the Doric Company provided the local hotel with accounting and auditing services, payroll preparation, the handling of advertising, as well as operating policies and the provision of managerial personnel on a fee basis. These facts, according to the Board, made the local hotel an integral part of the parent organization and were cited for the reasons of applying the \$500,000 annual revenue test to the entire organization rather than to the individual operating unit.⁵⁰

As a result of the Board's decisions, it is estimated by the American Hotel Association that 55-65 per cent of the industry's employees are now subject to the Taft-Hartley law,⁵¹ in exercising a right to organize and bargain collectively. One of the predictions of future activity is as follows:

The United States hotel industry will see a wave of organizing activity unmatched since the first days of mass organization ushered in by the Wagner Act.⁵²

⁵⁰American Hotel Association, Employee Relations Information Service, "NLRB's First Year in the Hotel Industry," Vol. V., No. XLII, February, 1960. Permission to use material was granted by Mr. Edward Kenny, Director, Employee Relations Department, American Hotel Association.

⁵¹Ibid.

⁵²Catering Industry Employee, "President's Pages," July, 1959.

The information presented indicates that in the future, hotel managers may increasingly feel the effects of this organizational trend. To help explain how the unions increase their membership, it is necessary to examine their plan of action in organizing.

The Organizing Process

The Taft-Hartley Act of 1947 guarantees the right of workers to organize with their fellow employees or to refrain from such activities. Union organizers employ a good many techniques to organize a union and different situations call for alternative courses of action. Often employees are overtly seeking representation and contact the union organizers on their own initiative; or, the organizers may go into the area and do a real job of selling, starting from scratch. However, seldom are organizing drives the result of accident or happenstance. Most have the benefit of careful advanced planning.

Organizing drives frequently are accelerated when:

1. Management does not give enough attention to the day-to-day problems and complaints of the individual.
2. Supervisors are lacking in understanding as to what management expects or wants them to do.
3. Employees are concerned over security.
4. Management or ownership is changing which may be actual, contemplated, or rumored.
5. Personnel practices are weak, especially regarding rates of pay.⁵³

⁵³American Hotel Association, "Building a Better Understanding of Employer-Employee Relations," New York, 1957, p. 7.

If the union organizer has no real contact with any employees, he has at least three ways in which he can get in touch with them. First, he may appear at the back door. He may pass handbills or buttonhole employees on the sidewalk. Female organizers often enter hotels posing as patrons and, over a cup of coffee, try to enroll the workers. Secondly, the organizer can wait until an employee or group of employees take a "coffee break" or go to lunch before he approaches them. This method has advantages, inasmuch as the organizer has more time to give them information and to feel them out as prospects. The third method, calling at the employee's home after working hours, has obvious advantages insofar as the organizer can get a group of employees together at one time.⁵⁴ If the organizer can do a real selling job at these home meetings, an excellent opportunity is afforded to build a solid nucleus of workers which can spread information to their friends in other hotels. Much time must be given and much missionary work must be accomplished by the employees themselves in obtaining cooperation from others. The organizer continues to distribute information, styled to motivate recalcitrant employees. An example of information distributed to employees and styled with this purpose in mind, is the leaflet described on the following page.

⁵⁴Ibid., p. 8.

Waiters, Waitresses, Bartenders, Cooks, Kitchen
Workers and Miscellaneous Hotel Employees

ORGANIZE

YOU NEED A UNION TO SPEAK FOR YOU!

Unorganized workers are without a voice in determining the conditions under which they shall labor or the wages they shall receive.

Organization means everything. It gives the workers a voice in the affairs of the industry in which they are employed. Through the representatives chosen by them they can, when organized, present and contend for their rights when it comes to negotiating with their employers for conditions of work and wage scales.

Trade unions have proven their worth because they fill a need and meet a situation that can be filled and met by no other agency.

Join an organization that is successfully functioning in its field for almost sixty years. It helped to establish one day off in seven; the eight-hour day; has done away with split shifts in most instances; and is now well on the way to establish the five-day week, eight-hour day with no reduction in wages, vacations with pay, and other benefits hitherto unheard of in the hotel, restaurant and tavern industry.

If you want to enjoy similar conditions--and who doesn't--join now the local union in your city.

Hotel & Restaurant Employees and Bartenders
International Union American Federation
of Labor

For further information call: _____

Telephone: _____

The organizer, in most cases, appeals to the employees on emotional grounds. Of course, they promise better wages, but their most attractive offer is in the areas of human desire--improved security, freedom from capricious demotions or firings, greater recognition for the employee, better working conditions, hours, or locker rooms.

It should be noted that before the enactment of the Taft-Hartley Act, the previously mentioned organizing tactics, in some cases, were not successful. The union's attempts to organize were often rebuffed by management tactics. Management kept the employees unorganized by refusing to recognize strikes and by offering employees high wages and many fringe benefits. Such was the case of the Edgewater Beach Hotel in Chicago, where unions have tried unsuccessfully to organize the employees since 1933. (See Appendix A for details of this organizing effort.)

In recent years, the International Union has maintained an active campaign to establish new locals and increase its power and membership. The work of organizing new members is under a Director of Organization, who is responsible to the General President. Under the Director of Organization are three levels of organizers: (1) International organizers who receive \$750 per month plus expenses when away from their home offices; (2) State organizers who are paid \$600 per month plus expenses; (3) Special organizers.

There are some thirty-two organizers on assignments in different sections of the United States and Canada.⁵⁵

In summary, the over-all picture in any given organizing situation is set by the motives that impel the workers to join the union, the motives of the union in organizing the unorganized, the climate in which the organizing process occurs, and the personality of the organizer. Differences in organizing tactics are accounted for by interplay of these factors and not by differences in fundamental philosophies of organizing or of anything else.

Summary

America's hotel dates back to 1621 and the public houses which sheltered our first settlers. The coffee houses were also prevalent, but catered mainly to local customers. Inns and taverns stayed at a rough, casual level for some years, but in Boston, in 1829, the Tremont House opened its doors and a new luxurious day in hotel keeping began. However, the inns did not diminish in importance; they pushed westward with our nation's borders, providing bed and board for settlers and salesmen. Soon all major cities had one large luxury hotel and many small boarding-house inns. There were no satisfactory and economical accommodations for the middle class traveler until E.M. Statler opened the first

⁵⁵Constitution of the Hotel, Restaurant Employees and Bartenders International Union, June 24, 1953, p. 20.

commercial hotel in Buffalo, New York. Today's hotels are of three basic types: (1) commercial, (2) resort, and (3) residential.

Unionization in the hotels of this study, while following the general pattern of the national trade union movement, has tended to lag behind unionization in other industries. The concept that the hotel field was, by nature unorganizable, since it represented a domestic rather than a mercantile establishment, slowed unionization considerably. Prohibition, too, hurt attempts to organize, since many potential union members were thrown out of work as a result of the Act.

It was not until the passage of the Wagner Act that hotel unions really made notable gains. Once unionization started, membership in the International Union increased by leaps and bounds and is continuing to increase by means of organizational drives.

For 24 years, both under the Wagner Act and the Taft-Hartley Act, the NLRB, with certain limited exceptions, refused to exercise jurisdiction over the hotel industry. The Board took this position under the Wagner Act, largely on the premise that the hotel industry was essentially local in character and had relatively slight impact on interstate commerce. However, in 1955, a labor dispute arose in a number of hotels at Miami Beach. For four years the battle was waged in the courts, resulting in the decision that hotel enterprises, exclusive of permanent or residential

hotels, doing \$500,000 in gross revenues per annum are now subject to federal jurisdiction. Later, the Board decided to assert jurisdiction over smaller hotels that were considered an integral part of a chain system, doing an annual gross business over \$500,000.

This law confers upon management certain rights and benefits, and it imposes certain duties. One of the rights it guarantees workers, is the right of workers to organize with their fellow employees or to refrain from such activities. Union organizers employ many methods in organizing a union. Differences in organizing tactics are set by the motives of the worker, the motives of the union in organizing, the climate, and the personality of the organizer.

CHAPTER III
THE COLLECTIVE BARGAINING PROCESS
IN THE HOTEL INDUSTRY

In the preceding chapter, the historical development of the American hotel, the development of hotel unionization, and a summary of labor relations laws related to labor and management was presented. It is within this framework that hotel labor-management relations were formed and must be conducted in the present and in the future. In Chapter III, the participants in the collective bargaining process are identified and a description of the negotiation procedures, from the viewpoint of both labor and management, is presented. The following section discusses the bargaining organizations of the union and management for the purpose of providing the matrix in which the collective bargaining process takes place.

Bargaining Representatives of the Union

The International Union. The international unions affiliated with the AFL exert direct control over their member local unions. The international usually specifies the amount of dues and initiation fees, and has the authority to examine the financial records of its local unions. On occasion, an international union, by securing a court order, may take over the assets of local unions in extreme cases.

The International also grants charters to locals and may expel them from membership for disobedience.

The backbone of the AFL, then, is the autonomous international union. These 108 internationals vary in size from a minimum of fifty-five members to over one-million members, depending upon the limit of their jurisdiction. As in the case of the American Federation of Labor, the supreme legislative body is the general convention. The majority of the internationals have annual or bi-annual conventions attended by delegates from their member local unions. In about 75 per cent of the internationals, officers are elected by delegates at the convention. The remainder are elected by referendum vote.⁵⁶

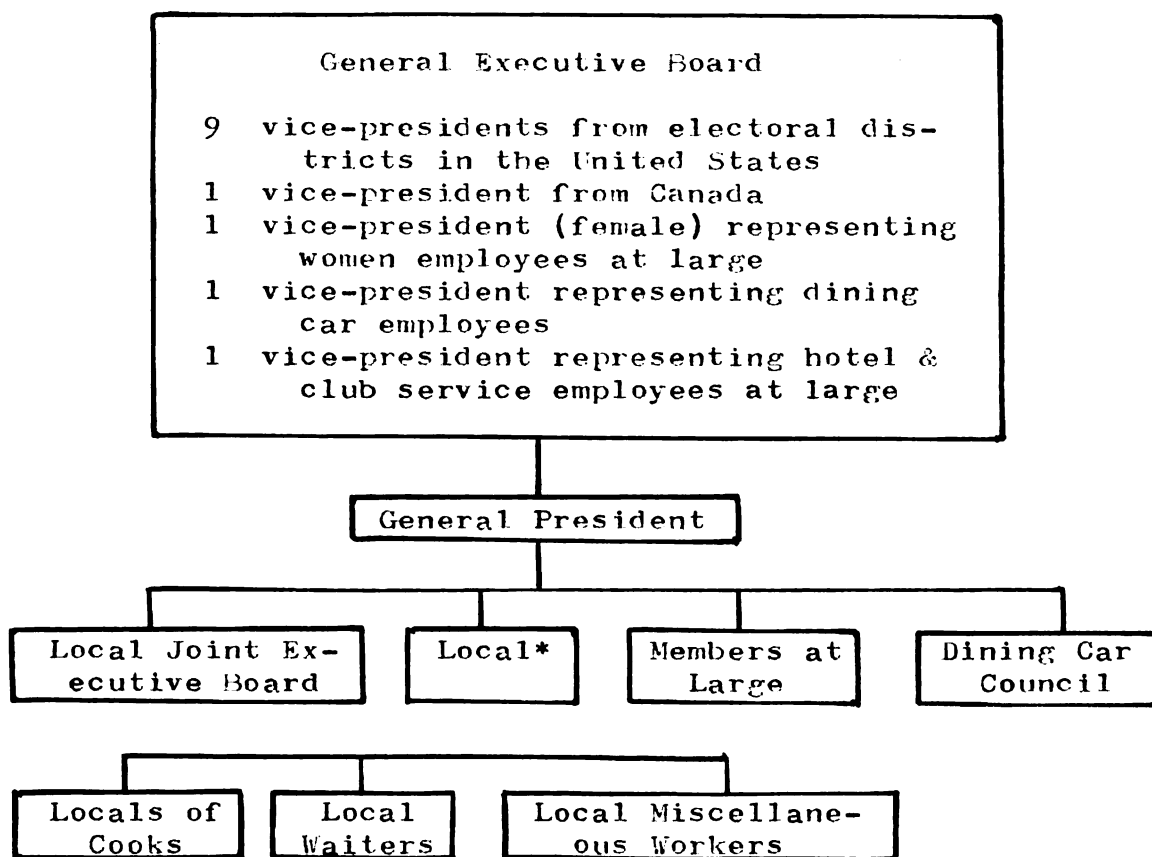
The Hotel, Restaurant Employees and Bartenders International Union is one of the 108 international unions in the AFL, and is composed of some 650 autonomous locals with memberships ranging in size from a handful of workers to several thousand workers.⁵⁷

At the top of the International Union is a General President, elected by the membership at the general convention. Figure 1, page 53, shows the organization of the union. The General Executive Board is comprised of thirteen

⁵⁶U.S. Department of Labor, Bureau of Labor Statistics, Bulletin No. 1225, A Guide to Labor-Management Relations in the United States, Government Printing Office, Washington, D.C., March, 1958, pp. 4-5.

⁵⁷The union includes chefs, cooks and cooks' assistants, bartenders, waiters, waitresses, dishwashers, pantry-men, maids, bellmen and other service employees, industrial canteens and commissary employees and other crafts in the industry.

Figure 1.
 Organization of the Hotel, Restaurant Employees
 and Bartenders International Union



*Locals must have at least 25 members.

vice-presidents representing the nine electoral districts in the United States, Canada, women employees at large, dining car employees, and hotel and club service employees at large.⁵⁸

Under the constitution, the General President presides at all conventions and at all meetings of the General Executive Board. He appoints all committees and has the authority to remove any officials of a local union, and after a trial, place a trustee appointed by him in charge for one year.⁵⁹

Although the president is titular head of the International, the actual operation of union business falls into the hands of the secretary-treasurer. His most important functions are supervising the financial and record keeping divisions of the International. Specifically, he keeps convention records, collects money, submits accounting records for examination, audits and provides materials and charters to the locals, and publishes the international organ, The Catering Industry Employee.

The Hotel and Restaurant Employees and Bartenders International Union also has a research director, appointed in response to a growing need for factual data in their bargaining with employers, and in dealing with legislatures and other government agencies. The director collects and

⁵⁸Donald E. Lundberg, Personnel Management in Hotels and Restaurants, (Dubuque, Iowa: William C. Brown Company, 1955), p. 240.

⁵⁹Ibid.

analyzes needed economic data and promotes and supervises educational activities for union members, especially business agents.

For bargaining purposes, the International Union, in most cases, lets the local unions conduct the bargaining negotiations. However, even at the single hotel level, the international may intervene when the negotiations are likely to set a pattern or when the hotel is to become a "lead hotel." The intervention of the parent union at the single hotel, however, is the exception and not the rule.⁶⁰

The local union. To gain affiliation with an international union, the local must first write its own by-laws and constitution. Upon ratification of its constitution by the international, the local receives a charter of affiliation.⁶¹ Although it is subject to the rules of the international union, the local has a voice in the formulation of policy through representation in the convention. As a rule, local union members meet once a month, with some requiring attendance by imposing fines on absent members. Officers are elected generally for one year terms, and include a president, vice-president and secretary-treasurer.⁶² These positions are not usually salaried, and the work of handling

⁶⁰Letter from Mr. Frederick B. Sweet, Managing Director, Catering Industry Employee, Cincinnati, Ohio, July 23, 1959.

⁶¹U.S. Department of Labor, op.cit., pp. 3-4.

⁶²Hotel, Restaurant Employees and Bartenders International Union, "A Message for the New Member," Your Union, 1954, p. 6.

labor-management problems falls to the Business Agent. The Business Agent may be either elected or appointed, depending upon the rules of the local union involved. He is usually a paid official and, unlike the other officers of the locals, spends his full time on union matters.⁶³ Sometimes the Business Agent carries out the bargaining either as a single negotiator or as a spokesman of a bargaining committee. The bargaining committee is sometimes headed by the president or secretary of the local union. The remainder of the negotiating committee may be composed of their officers, such as the stewards or the Business Agent. At other times, the remainder of the committee is elected from the membership without regard to offices held. The local bargaining structure is reasonably uniform in one regard, however. A local officer usually heads the bargaining, which in turn is usually carried out by a committee whose composition is variously determined, as indicated above.⁶⁴

In addition to the international and local unions, the AFL has created various other federations and councils for such purposes as promoting union organization, securing uniform working standards in a city or industry, and furthering the interests of labor in general.⁶⁵ One of such

⁶³Lloyd G. Reynolds, Labor Economics and Labor Relations, (New York: Prentice-Hall, Inc., 1956), p. 156.

⁶⁴C. Wilson Randle, Collective Bargaining: Principles and Practices, (Cambridge, Massachusetts: The Riverside Press, 1951), Pp. 151-152.

⁶⁵U.S. Department of Labor, op.cit.

organizations is the Joint Executive Board made up of representatives of locals of the same international union located within a city. In order to promote favorable legislation on the state level, the AFL has set up State Federation, composed of delegates of local unions and city centrals within the state. City centrals are composed of delegates from all the local unions representing the various trades in any one city. Somewhat allied to these organizations are the City Trades Councils which are composed of a combination of local unions having jurisdiction within related trades or in the same industry within a city. These organizations have an important function in that they attempt to secure united action in collective bargaining. One such organization is the New York Hotel Trades Council. A description of the New York Hotel Trades Council will serve as an illustrative example of how Councils work or fit into the collective bargaining pattern in the hotel industry.

New York Hotel Trades Council.⁶⁶ The formation of the New York Hotel Trades Council, in 1938, was unique. The union leaders had no pattern of organization to follow, and yet they felt that only by presenting a united front to the hotelmen of the city could they make any appreciable gains. In a hotel, many separate crafts were represented--ranging from cooks and waiters to firemen, oilers, and electricians. International unions of the AFL guarded their crafts

⁶⁶Robert A. Beck, "A Study of Cooperative Collective Bargaining as Developed in the Hotel Industry of New York City," unpublished doctoral thesis, 1954, pp. 127-140.

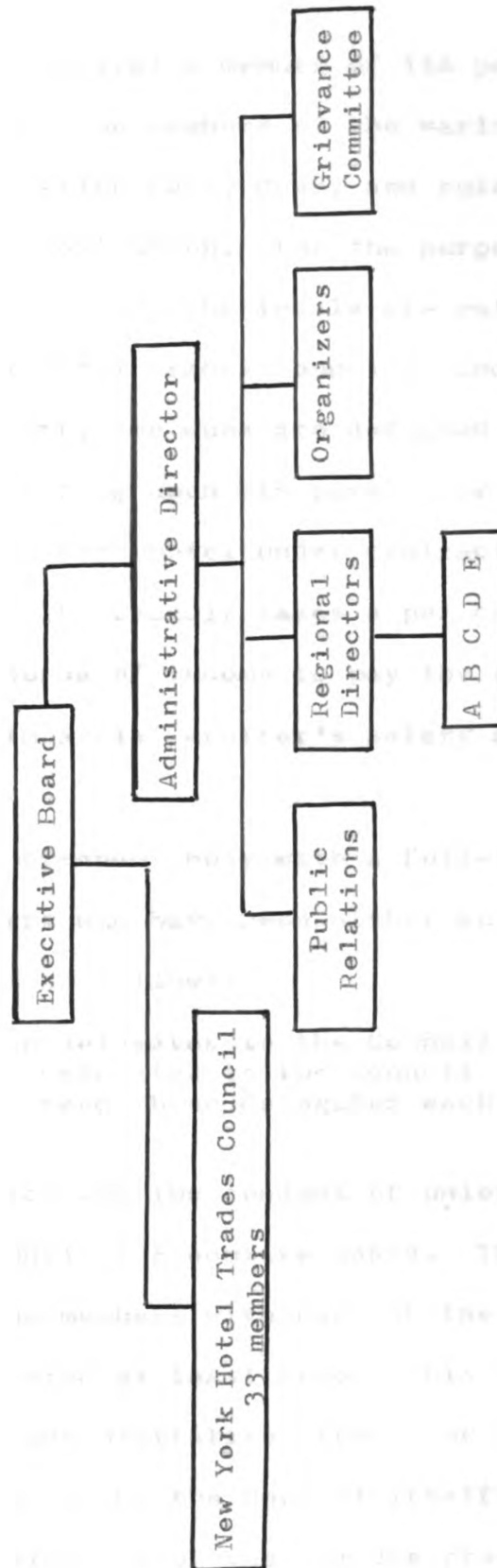
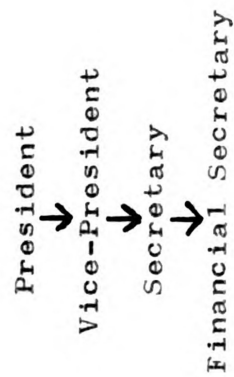
jealously, and were not willing to surrender jurisdiction to others. In addition, workers in the engineering and maintenance departments of hotels, although belonging to the same unions, received less pay than workers in similar jobs outside the hotel field. Leaders of the local and international unions representing hotel workers became convinced that only by uniting their forces could success be achieved. Figure 2 shows the organizational structure of the New York Hotel Trades Council.

At the present time, the New York Hotel Trades Council consists of nine local unions:

1. International Brotherhood of Electrical Workers, Local 3.
2. Hotel and Club Employees Union Local No. 6 of the Hotel, Restaurant Employees and Bartenders International Union.
3. International Union of Operating Engineers, Local 94-94A.
4. Hotel Front Office Service Employees Union, Local 144, of the Building Service Employees International Union.
5. International Brotherhood of Firemen, Oilers, and Maintenance Mechanics, Local 56.
6. Hotel Maintenance Upholstery Workers, Local 43, of the Upholsterers International Union of North America.
7. Hotel Maintenance Painters Union, Local 1422, of the Brotherhood of Painters, Decorators, and Paperhangers of America.
8. Telephone Operators Union, Local 1005-B, of the International Brotherhood of Electrical Workers.
9. Office Employees International Union, Local 153.

Figure 2.

Chart of Organization Hotel Trades Council



The local union is first a member of its parent body, the international union. The members of the various locals are subject to the initiation fees, dues, and rules and regulations of its international union. For the purpose of collective bargaining, however, the locals are gathered into one group, the New York Hotel Trades Council. Under the provision of the check-off, the dues are deducted from the individual workers, depending upon his particular local dues system, and forwarded by each hotel under contract to the Trades Council office. The Council takes a per capita tax for each member as a source of income to pay the officers, staff, a share of the impartial arbiter's salary and to publish a newspaper.

The Council, a permanent body with a full-time staff, is composed of 33 members who have been either appointed or elected by local unions as follows:

Local 6 - Seven delegates to the Council
 Local 144 - Five delegates to the Council
 All other locals send three delegates each
 to the Council

The formulation of policy and the conduct of union affairs is done through the Council's Executive Board. The Executive Board is made up of nine members with each of the eight international unions represented at least once. This Board is the governing force in the administrative affairs of the Council, and its members are elected by the Council itself.

The actual carrying out of the Board's program is handled by various committees appointed by the Board. To

oversee these committees, an Administrative Director has been appointed by the Board. The Administrative Director is a full-time staff member who may not be a member of one of the locals affiliated with the Council. The committees report to the Administrative Director, who in turn advises the Executive Board by means of recommendations. Whenever the need so warrants, special committees are appointed by the Executive Board.

In addition to supervising these committees, the Administrative Director also acts as liason officer between the Executive Board and the Regional Directors of their respective regions. Prior to 1951, a General Shop Chairman had been appointed by the Board as administrator for all the hotels under contract with the Council. His principle duties were to meet the various shop delegates, look into any grievances of a serious nature, and to conduct meetings of individual hotel workers whenever problems arose. This system, however, proved unwieldy and, as a result, committees were set up in each individual hotel. These committees, known as Hotel Trades Council Committees, represent workers from each local union in each hotel under contract with the Council. The members of these committees may or may not be shop delegates, depending upon the policy of the local union.

The Hotel Trades Council committees report to their particular Regional Director. For the purpose of administration, New York City has been divided into five districts,

or regions. While the boundaries of these regions are not necessarily hard-and-fast, they are approximately as follows:

- Region A - Covers about forty-four hotels.
- Region B - Covers approximately forty hotels. Regions A and B include "upper" New York City hotels.
- Region C - Includes the larger hotels on the East side of Manhattan. Some thirty-eight hotels are in this region.
- Region D - Covers the Central Park area on the East side. About fourteen hotels are in this area.
- Region E - Includes the uptown area of Manhattan and the Bronx beyond 62nd Street on both the East and West sides. Some forty-three hotels are in this region.

Each region is under the jurisdiction of a Regional Director appointed by the Executive Board of the Council. The Regional Directors, while still members of their particular local unions, are not concerned with local union affairs. Their primary function is to contact the various Hotel Trades Council committees of the hotels within their district as to any major problems or grievances. When the Regional Director is called, he usually meets with the shop delegate of the department in which the grievance arose, and the the head of that department. If no settlement can be effected at this level, the director then meets with the General Manager or his representative in an attempt to end the dispute. If no agreement can be reached at this level, the director reports back to the Administrative Director, who will report to, and advise, the Executive Board of the Council. In addition,

the Regional Director keeps check on any changes in policy of any hotel in his area, or on any changes of management or ownership. These facts are reported back to the Administrative Director. In this manner the Executive Board keeps informed on day-to-day changes that may take place in the union contract hotels.

Bargaining Representatives of the Employer

Just as the unions have developed group bargaining units for representation, so have the employers formed group organizations to represent them in bargaining with the unions.

Employers have two ways in which they can bargain and both influence the choice of bargaining representatives.⁶⁷ Bargaining may be conducted by a single employer on a single-hotel basis, or on a multiple-employer basis. If negotiation is on a single-hotel basis, the employer's representative is usually a local hotel official. Union pressure for multiple-employer bargaining, or the presence of a significant number of employers within a producing area, often leads to the formation of an employers' association. An excellent example of this type of bargaining is the multiple-employer bargaining unit employed by the hotelmen of Chicago, Illinois.⁶⁸

⁶⁷Randle, op.cit., p. 155.

⁶⁸Information for this study was obtained through correspondence with Mr. Patrick Kane, Executive Assistant Manager, Drake Hotel, Chicago, Illinois; Mr. William J. Wilson, Executive Vice-President, Greater Chicago Hotel Association; Mr. Edward L. Buckley, General Manager, Edgewater Beach Hotel,

Chicago hotel operators turned to multiple-employer bargaining with the same logic that employees turned to unions. They were faced with organized strength and ever increasing union demands. Hotelmen sought greater security against the uncertainties and fluctuations of former individual bargaining by joining together and bargaining as a group. In reality, there are three types of bargaining groups in Chicago hotels: (1) the multiple-employer residential hotel group, (2) the multiple-employer downtown hotel group, and (3) the independent and individual residential hotel group. The residential group will be presented first since it was the first of the three groups formed.

Greater Chicago Hotel Association

The multiple-employer residential hotel group. In 1945, a group of Chicago residential hotels petitioned their industry's local organization, the Greater Chicago Hotel Association, to negotiate new contract demands presented to them by the unions. The Association accepted the undertaking of establishing an office and engaging a lawyer, recognized as a labor relations authority, to deal officially with the unions. Acting as spokesman for the group, the lawyer was aided in his negotiations by a committee made up of the best qualified personnel of those hotels desiring the Association to bargain for them. For these and other Association services,

Chicago, Illinois; and Mr. Fred G. Guest, Assistant Vice-President, Hilton Hotels Corporation, Chicago, Illinois.

the bargaining group of hotels each paid the Association a fee based on the number of revenue-producing rooms in each hotel.

Today, out of 100 residential hotels belonging to the Greater Chicago Hotel Association, 33 such member hotels use the Association as their official group-bargaining agent. Contract terms agreed to by the unions and the committee headed by the Association counsel cover approximately 2,500 union employees in the 33 hotels, and largely determine the eventual settlement of contracts with all other residential hotels. On an individual basis, 40 more residential hotels belonging to the Greater Chicago Hotel Association engage the Association counsel as their official bargaining agent with the unions.

The Greater Chicago Hotel Association further serves in preparation of written materials for distribution to its members, monthly bulletins, news letters, special bulletins, and informational services. The publications provide information on government regulations, statistical data on business conditions, labor relations developments in hotels outside Chicago, general economic trends, and future business prospects. The second distinct bargaining group formed in the Chicago hotels is composed of the downtown transient hotels. The following discussion describes the multiple-employer downtown hotel group.

The multiple-employer downtown hotel group. Within the downtown area of Chicago are located the larger transient hotels that dominate the Chicago hotel bargaining scene. Ranging in size from 400 to over 2,750 guest rooms, each hotel is equipped to service group meetings and conventions and provide extensive food facilities. These hotels employ from 150 to 2,250 employees. Downtown hotels differ from residential hotels in that they have a larger number of rooms and employees, a higher room rate, and a less stable occupancy.

In 1947, a group composed of the fourteen major downtown hotels, listed in Table I, formulated a plan to negotiate jointly, future labor contracts with all unions having representation in their hotels. Earlier attempts by groups of these hotels had failed because of lack of confidence and mutual feelings of responsibility. The proposed plan called for the creation of a Labor Relations Committee, limited to not more than fifteen individuals, to be selected in whatever manner thought best by the participating hotels. Normally the owner or operator of each hotel, or his picked representative, would serve on the Labor Relations Committee.

From this committee would be picked a Hotels Negotiation Committee limited to a maximum of five bargaining members and a secretary who would be specialists in their own particular field. The Hotels Negotiation Committee would answer only to the Labor Relations Committee. During the course of

Table I

CHICAGO HOTELS COMPRISING THE MULTIPLE-EMPLOYER

DOWNTOWN HOTEL GROUP

Hotel Name	Number of Guest Rooms*
1. Ambassador East and West	700
2. Atlantic	450
3. Bismarck	600
4. Blackstone	400
5. Chicagoan	500
6. Congress	1,000
7. Conrad Hilton	3,000
8. Drake	675
9. Harrison	400
10. La Salle	1,000
11. Morrison	1,400
12. Palmer House	2,268
13. Sheraton	500
14. Sherman	<u>1,450</u>
	<u>14,343</u>

*As reported by the Hotel Red Book and Directory, published by the American Hotel Association Directory Corporation, New York, June 1953 Edition.

negotiations, either committee could call upon legal counsel for opinions regarding the soundness of certain clauses which, if not clarified, might result later in legal difficulties. One legal counsel was engaged by the group to avoid having each individual hotel engage independent counsel. The members of the Hotels Negotiations Committee were to spend a reasonable amount of time studying and evaluating the results of all hotel negotiations completed during the past year.

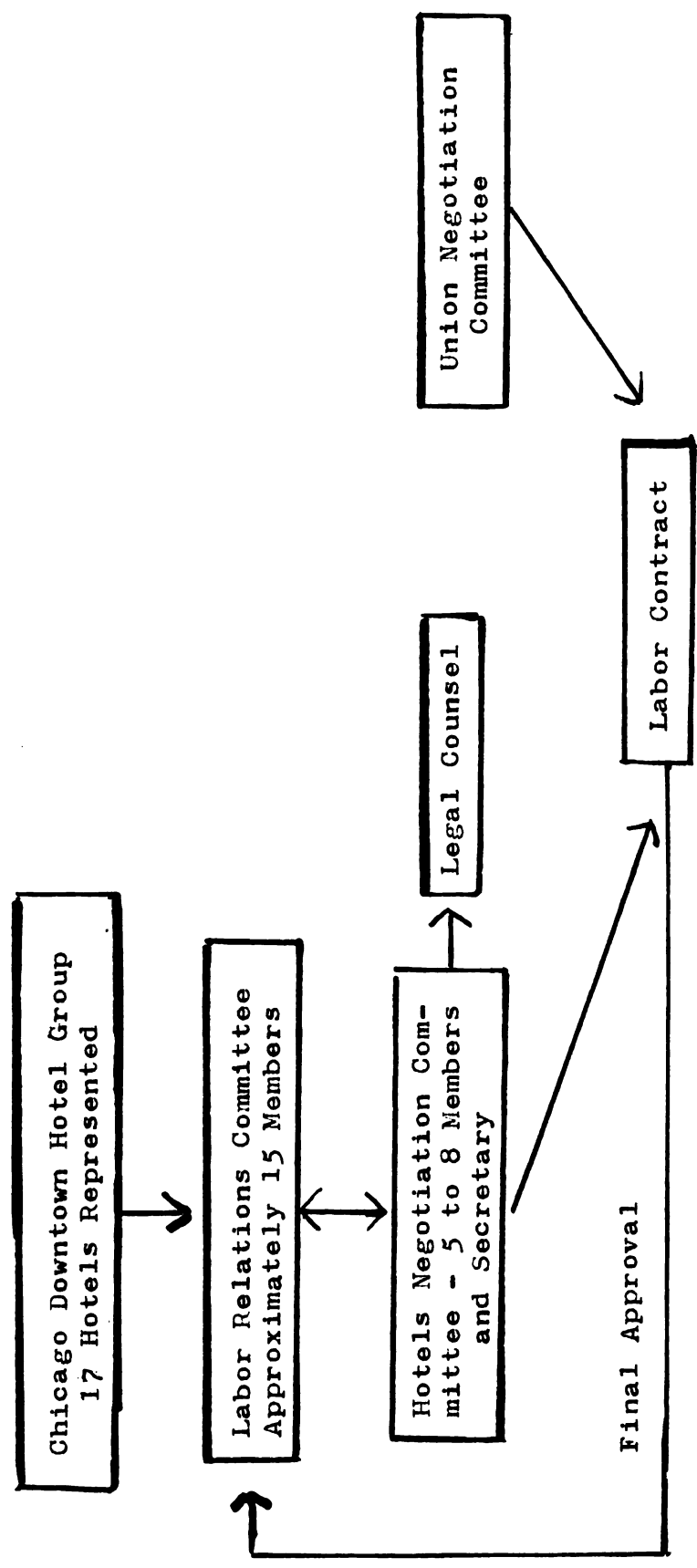
The formulation of a labor agreement by the Hotels Negotiation Committee and the negotiation committee of each union would be reviewed by the Labor Relations Committee and either approved or disapproved for all of the participating hotels. Figure 3 reviews the proposed organization as outlined above.

Today, with little change from the 1947 plan, the Downtown Hotel Group dominates the bargaining scene for all hotel workers in the Chicago area.⁶⁹ Union contracts agreed to by this group affect approximately 10,000 union employees in the 17 hotels and establish wage rates and agreements on other issues that set the pattern for the multiple-employer bargaining group of residential hotels, as well as all other independent properties.

The Greater Chicago Hotel Association counsel, who serves as the official bargaining agent for the multiple-

⁶⁹The Breevort Hotel, Fort Dearborn Hotel, and the Hamilton Hotel are now members of the Downtown Hotel Group.

Figure 3.
Organization for Bargaining of the Multiple-Employer
Downtown Hotel Group



employer residential group of hotels, further serves as the secretary to the Hotels Negotiation Committee of the Downtown Hotel Group. In these capacities he is in a particularly advantageous position to serve and advise both groups on negotiating procedure and background of union demands and settlement not only during the negotiating periods, but throughout the year.

The independent and individual residential hotel group.

Agreements resolved with both multiple-employer groups are concluded before union negotiations begin with independent bargaining properties. Although the bargaining outcome is influenced by the operators of a number or chain of hotels, or even individually operated properties, the final agreement terms usually lie within the framework established by the multiple-employer bargaining groups. Once the main issues of wage rates and hours of work are bargained with the multiple-employer groups, the independent hotels, by bargaining, attempt to gain concessions from the unions on the fringe issues of holiday pay, vacations, meal arrangements and health and welfare plans.

Figure 4 shows the organizational structure of the three distinct employer bargaining groups within Chicago's hotels, and their relationship to one another. It is to a consideration of the organizational structure of the union in Chicago that attention is next directed.

Figure 4.

Relationship of Chicago Hotel Bargaining Groups

Multiple-Employer Bargaining

Chicago Downtown Hotel
Group - 17 Hotels
Contracts Affect
10,000 Union Employees

Labor Relations
Committee

Hotels Negotiation
Committee

1st Bargaining
Session

Residential Hotel Group
33 Hotels
Contracts Affect
2,500 Union Employees

Negotiations Committee

Greater Chicago Hotel
Association Counsel

2nd Bargaining
Session

Serves as
Secretary

Local Joint Executive Board

Independent Bargaining

Independent and
Individual Residential
or
Transient Properties

Pattern of Bargaining
Already Established
by Multiple-Employer
Groups and Influenced
by Stronger Operators

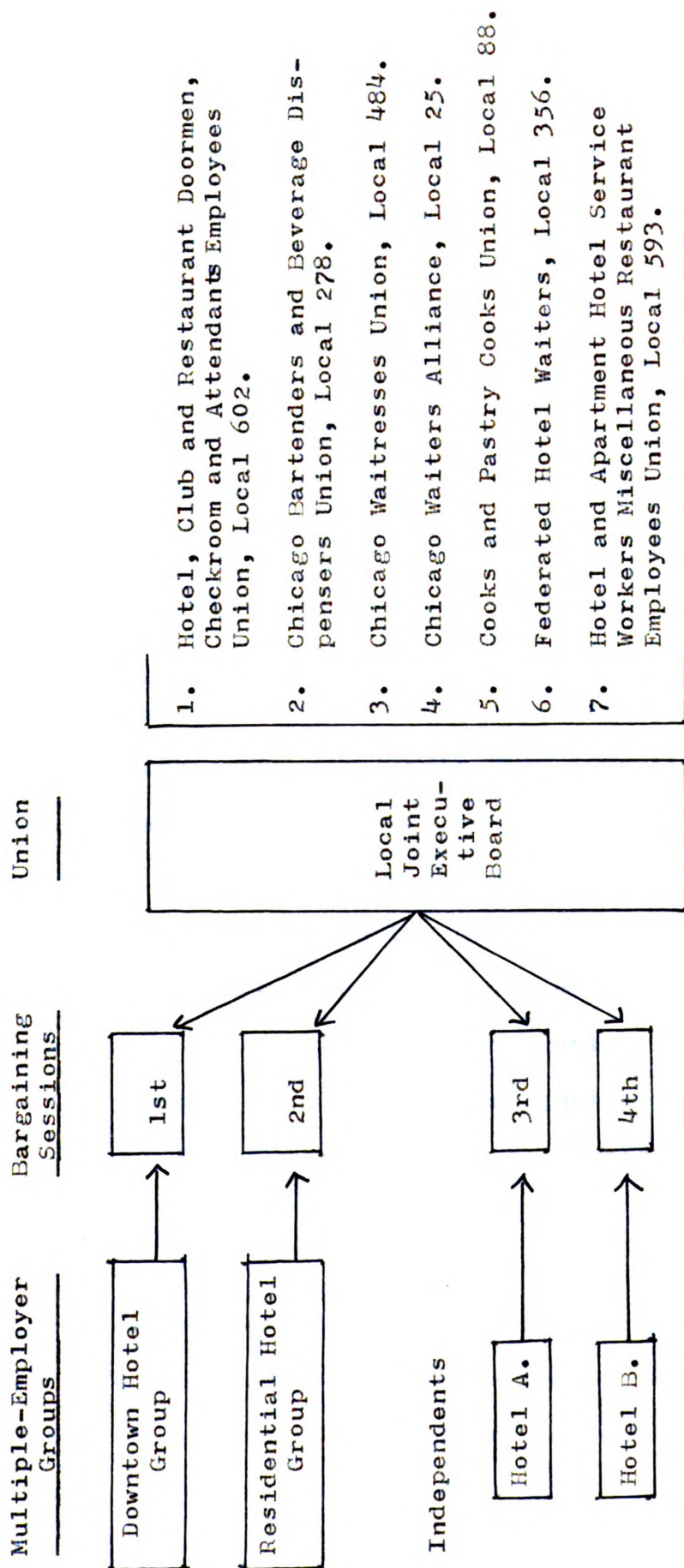
Other Bargaining
Sessions

Chicago union organization for bargaining. The 28 unions which have representation in Chicago's hotels do not bargain individually with independent operators or multiple-employer groups. The Local Joint Executive Board, composed of representatives of seven local unions, takes over the function of negotiating and administering labor agreements with employers or employer groups. By conducting negotiations through the joint board, the union members of these locals multiply and strengthen their position and the position of their bargaining agents at the negotiations sessions. The Local Joint Executive Board is the recognized bargaining agent for the respective memberships of each local union. While bargaining, the individual local retains its identity for voting, registering opinions, and the inclusion of differing wage scales added to the master agreement. The unions banded together to form the Local Joint Executive Board of the Hotel and Restaurant Employees and Bartenders International Union which today, reports a membership in excess of 30,000 hotel and restaurant employees in Chicago. Figure 5 identifies the unions comprising the Local Joint Executive Board for hotel bargaining, and pictures the negotiating procedure with the three bargaining groups with the Chicago hotel industry.

A few summary remarks on the over-all bargaining unit employed in Chicago are now in order. The structure of Chicago hotel unionism is such that the number of organized employees in any one hotel is relatively unimportant to the

Figure 5.

Bargaining Procedure of the Local Joint Executive Board of the Hotel and Restaurant Employees and Bartenders International Union



total workers in the hotel industry. Some Chicago hotels are wholly unorganized and deal with no labor unions. Some hotels may deal with one or two unions comprising but five to ten per cent of their employees. Other hotels may negotiate with another two or three locals which comprise 20 to 30 per cent of their employees. Almost any combination of "percentage of workers covered" and "number of unions dealt with" can be found. The highly organized Chicago hotels reach the peak of unionization by normally dealing with 28 unions (Table II) and have 85 per cent of all employees under union contract.

While size and location of the hotel have tended to influence the degree of unionization, no definite generalization can be made. The larger hotels located in the "loop" area tend to be among those most highly organized. However, other large hotels located in the near loop area have fewer than 10 per cent of their workers under union contract. Smaller hotels in the central location reflect varying degrees of organization, while others equally as small and located throughout the city have a high degree of organization.

The classification or type of workers covered by some unions further defies any generalization. Though the union may have organized workers in a number of hotels, certain classifications of work are found excluded from contract with one hotel and included under contracts with

Table II
TITLES AND AFFILIATIONS OF THE MAJOR UNIONS
HAVING REPRESENTATION IN CHICAGO HOTELS

National Organization Affiliation
International Union Affiliation
District Council or Joint Board Affiliation
Local Chicago Union

AMERICAN FEDERATION OF LABOR

Hotel and Restaurant Employees and Bartender International
Union Local Joint Executive Board

1. Chicago Waiters Alliance, Local 25
2. Cooks and Pastry Cooks Union, Local 88
3. Chicago Bartenders and Beverage Dispensers Union,
Local 278
4. Federated Hotel Waiters, Local 356
5. Chicago Waitresses Union, Local 484
6. Hotel and Apartment Hotel Service Workers and Miscel-
laneous Restaurant Employees Union, Local 593
7. Hotel, Club and Restaurant Doormen, Checkroom and
Attendants Employees Union, Local 602

Building Service International Union

8. House Officers and Watchmans Union, Local 4
9. Elevator Operators and Starters Union, Local 66
10. Chicago Window Washers Union, Local 34
11. Hotel Service Employees Union, Local 4

United Brotherhood of Carpenters and Joiners of America
Carpenters District Council of Chicago

12. Carpenters Local Union
13. Wood Finishers Union, Local 611
14. Carpet, Linoleum, and Resilient Tile Layers Union,
Local 1185

International Upholsterers Union

15. Upholsterers Union, Local 18
16. Drapery, Window Shade and Tapestry Decorators Union,
Local 17

International Plumbers Union

17. Chicago Journeymen Plumbers, Local 130
18. Steamfitters Protective Association, Local 597

Table II (continued)

National Organization Affiliation
 International Union Affiliation
 District Council or Joint Board Affiliation
 Local Chicago Union

AMERICAN FEDERATION OF LABOR

International Union of Elevator Constructors

19. Elevator Constructors Union, Local 2

Journeyman Plasterers Protective and Benevolent Society

20. Plasterers Union, Local 5

International Brotherhood of Electrical Workers

21. Electrical Workers Union, Local 134

International Hod Carriers Building and Common Laborers Union
 of American Construction and General Laborers District Council
 of Chicago

22. Hod Carriers and Building Labor Union, Local 6

Painters, Decorators and Paper Hangers of America - Painters
 District Council of Chicago No. 14

23. Painters Local Union

International Brotherhood of Fireman and Oilers

24. Fireman and Oilers Union, Local 7

International Union of Operating Engineers

25. Operating Engineers Union, Local 150

United Shoe Service Employees International Union

26. Shoe Service Employees Union, Local 1143

Laundry Workers International Union

27. Laundry Workers Union, Local 46

Journeyman Barbers, Hairdressers and Cosmetologists Inter-
 national Union

28. Barbers Union, Local 548
-

others. Clerks, telephone operators or cashiers may be organized in one hotel and unorganized in another hotel although the union has representation in both hotels.⁷⁰

The section of the thesis just completed identifies the participants of labor and management in the collective bargaining process. Negotiating is a process, carried out by people who meet at a definite point in time and place. These people stand in definite organizational relationships to the interests they represent, and perform definite functions in the process. Therefore, attention is next directed to the negotiating procedures employed by labor and management.

The Conduct of Collective Bargaining

"Collective bargaining, like democracy, is only a technique. It can be good or bad."⁷¹ Collective bargaining may be located anywhere on the scale between these two extremes. No two contract negotiations follow exactly the same course. The relative strengths of the parties concerned are different, the maturity of the bargaining relationship is not the same, the types of unions and hotels differ, the scope of the bargaining differs, and

⁷⁰Organized workers in these classifications belong to the Hotel and Apartment Hotel Service Workers and Miscellaneous Restaurant Employees Union, Local 593, 10 North Wells Street, Chicago, Illinois.

⁷¹Edward T. Cheyfitz, Constructive Collective Bargaining, (New York: McGraw-Hill, 1947), p. 94.

diverse concepts of how bargaining should be conducted make the dissimilarity. Despite these variances, there are common basic techniques, pitfalls, and principles of negotiation. Exploration of these common qualities is made in this part of the paper.

Pre-bargaining activities. Preparatory bargaining activities may begin at almost any time prior to actual bargaining. They may be conducted on either a bilateral or unilateral basis. In the hotel industry, particularly where an employer's association is involved, the employers meet to agree on unilateral tactics and arrangements.⁷² Occasionally, labor and management meet together, perhaps for the purpose of establishing ground rules. At such a session, it may be decided whether an agenda is to be prepared and adhered to, and what procedural patterns are to be followed.

A plan for meeting must be agreed upon--where and when the parties will meet, how long the meetings should run, whether the union representatives are to be paid and by whom, what procedure should be followed for issuing press releases and bulletins of progress. A list of representatives of each side should be exchanged.⁷³ Such arrangements are important in ensuring smooth and successful bargaining.

When does actual bargaining begin? As a generality, one may say that the actual beginning of negotiations are

⁷²Personal interview with Mr. Edward L. Buckley, General Manager, Edgewater Beach Hotel, Chicago, Illinois, December 29, 1959.

⁷³Randle, op.cit., p. 192.

more or less individualized. Contract negotiation may open on an expected basis prior to or at termination, depending upon agreement. It may also open on a relatively unexpected basis, depending upon the union's inclinations in utilizing the reopening provisions of the agreement.

The first session. The parties are now ready to begin actual bargaining. The negotiations usually get under way by the union submitting a list of its demands or proposals. Some negotiators prefer that the union submit proposals prior to the first meeting. The chief reason many hotel negotiators prefer the latter method is that it relieves the employer of any obligation to make counterproposals at the first meeting.⁷⁴ He can utilize the time to ask questions about the union's proposals, point out the flaws and inconsistencies in their demands and do probing operations to determine the proposals which the union is most interested in. Generally, it is possible to find out in the first meeting which of the union's proposals will turn out to be real issues. Of course, this can be done if the union had submitted their proposal prior to the first meeting, but if the union has put its proposals in the hotel's hands several days before a first meeting, they can justifiably ask that the hotel make counterproposals at that time.

Counterproposals. The next step is to make counterproposals. Counterproposals can run all the way from minor

⁷⁴Buckley, op.cit.

disagreement with the union down the line to complete disagreement with the union on every one of its proposals. It is not uncommon for the employer to prepare a series of changes in the present contract. The procedure is not definitely set and the approach to counterproposals is dependent upon any number of conditions peculiar to the individual case.

Some negotiators decide as to which proposals they can, in the final analysis, meet in whole or in part--and dole these out over a series of meetings. This method comes about through the feeling that a union committee will not believe that the first proposal is the last one, and if an employer were to "shoot the works" on the first proposal, he might still be talking for the next several months.⁷⁵

Some hotels brief their arguments, while others prepare only for written counterproposals. In a few instances, the hotel or association will prepare their counterproposals in the form of a complete contract ready for signature. Other times, the written counterproposals just pertain to the issue, or issues, under discussion and, if agreed upon, can be incorporated into the contract.⁷⁶ Usually,

⁷⁵Jack Barbash, Labor Unions in Action, (New York: Harper and Brothers, 1948), p. 102.

⁷⁶American Hotel Association, "Building a Better Understanding of Employer-Employee Relations," New York, 1956, p. 13.

there is a difference between the union's proposal on an issue and the counterproposal. Compromise language can be worked out at the negotiating session.

Many negotiators do not make an overt effort to anticipate the issues. They do know, however, that issues have taken certain patterns through the years. For example, the unions will make a drive for a certain change in the vacation or holiday pay. When this comes about, it is possible to anticipate that each local of the International will make a somewhat similar proposal in that respect. However, each local has preferences of their own which they believe satisfy some local desire. Sometimes, this will be brought out as an issue year after year and has to be argued down, compromised, or accepted.⁷⁷

Some locals believe in proposing just two or three changes, and driving to secure some action on those few. Most local unions seem to follow the theory of "nothing ventured, nothing gained," and toss into the hopper 15 to 20, or even 30 changes in the contract.⁷⁸ They know when they do this that they cannot get agreement from the employer on most of them and do not seem to be at all unhappy when they only secure two or three changes.

On the other side of the balance sheet, the union feels, at least in the words of one union negotiator,⁷⁹

⁷⁷Ibid., p. 14.

⁷⁸Randle, op.cit., p. 203.

⁷⁹Personal interview with Mr. Arlo Strolpaul, Field Representative, AFL-CIO, February 10, 1960.

that its negotiating procedure is sound. Coming into a negotiating session with a number of proposals and a relatively close estimate of the cost of each to the employer, the union can get some conception of how much money the hotel has available to spend for the next year on that particular local. Using this as a starting point, they can proceed to bargain for the issues on which they really want agreement.

Collective bargaining consists of union proposals, hotel counterproposals and concessions on the part of both parties to effect a compromise. The language and implications of any issue should be approached with caution by both the union and the hotel in the light of precedence. The over-all aim of both is a smoothly functioning relationship.

The completed task. Negotiation is finished. The labor agreement must now be assembled, rephrased, and rewritten. Each clause must be tested for meaning and interpretation. It is well to keep in mind that "the substance of the agreement is more important than the words and sincerity far superior to strategy."⁸⁰ Most hotels prefer, at this point, to call in competent lawyers to write the actual agreement.⁸¹

⁸⁰Lee H. Hill, Pattern for Good Labor Relations, (New York: McGraw-Hill, 1947), p. 113.

⁸¹American Hotel Association, op.cit., p. 34.

It is a matter of record that most negotiations result in a contract.⁸² However, if agreement isn't reached, then there may be a strike. Attention is next directed to the hotel strike.

The Hotel Strike

The union's ultimate coercive force behind the bargaining process is the strike. Approximate bargaining equality can be achieved only if the union is in a position to exercise an effective choice between working or not working, and the strike is the collective act of refusing to work.

There are no longer unions or union leaders who act on the belief that the strike has a complete validity of its own, divorced from the particular strategic purpose it is calculated to serve.⁸³ This pragmatic approach to the strike stems from the realization that successful unionism cannot be perpetuated by purposeless striking. The strike is, therefore, more or less a weapon to be held in reserve as a last resort, and the ultimate threat of strike becomes the functioning vehicle through which the union's demands are realized.

According to the Constitution of the Hotel and Restaurant Employees and Bartenders International Union, all strikes require a two-thirds vote of its local members.

⁸²Ibid., p. 22.

⁸³Barbash, op.cit., p. 124.

If the local has been in existence six months and the strike has been sanctioned by the General Executive Board, the International sends a delegate to lead the strike. Appropriations are made from the defense fund to aid members. Some of the longest and most bitter strikes in the hotel and restaurant industry have taken place in Cleveland, Pittsburgh, and San Francisco.⁸⁴

During a strike, the hotel employer is legally free, under the Taft-Hartley Act, to keep his hotel in operation. He can try to persuade his present employees to stay at work, and he can try to hire new workers from the outside. Any employees he may hire are entitled to free access to the hotel. If the hotel remains in operation, even on a skeleton basis, this fact may strengthen the employer's hand in bargaining with the strikers over the terms on which they are to return to work.

The right to picket peaceably. The device which unions have developed to keep workers out of a struck plant or hotel is the picket line. Strikers patrol back and forth in front of the hotel entrance, advertising the existence of a strike by placards and word-of-mouth. Workers entering the hotel are greeted with pleas not to go to work. As a worker leaves the hotel at the end of the work day, a picket may walk alongside him and urge him not to come to work the next day. Under experienced

⁸⁴Lundberg, op.cit., p. 243.

direction, picketing is an effective method of peaceable persuasion, though it can also degenerate into physical conflict. At present, the interpretation of the law of picketing is far from clear.⁸⁵ There may be no blanket prohibition of picketing by the states or the federal government, but it may be confined to situations in which there is close economic relationship between the picketer and the picketed. If the picketing is in support of unlawful objectives, moreover, it may be banned. The government may also enact regulations for the conduct of peaceable picketing.⁸⁶

A number of states have passed laws limiting the number of pickets who may be stationed at a hotel or plant, requiring that they must not block access to the hotel or plant and regulating other details of picketing procedure.

Strikes and picket lines back up the union's force in collective bargaining. The means may be used wisely, effectively, and responsibly, or they may be used ineptly and irresponsibly, but they are means, not ends.

Summary

The majority of union bargaining is still done at the local level by local officers or representatives. The International may intervene at the single hotel level

⁸⁵Reynolds, op.cit., p. 344.

⁸⁶J. Tannenhaus, "Picketing--Free Speech: The Growth of the New Law of Picketing from 1940 to 1952," Cornell Law Quarterly, XXXVIII, (Fall, 1952), pp. 1-50.

whenever the hotel is of significant importance or likely to be used as a pattern. In addition to the two main levels of union representatives--the local and the International--the AFL has created Joint Boards, State Federations, City Centrals, and City Trades Councils for purposes of promoting and furthering the interests of labor. The New York Hotel Trades Council is a sizeable operation with a full-time staff and a bi-weekly newspaper. The Council represents 35,000 members employed in 161 hotels.

Bargaining by the employer is on a single-hotel or multiple-employer basis. In Chicago, Illinois, hotels bargain through three distinct groups: (1) the Multiple-Employer Residential Hotel Group, (2) the Multiple-Employer Downtown Hotel Group, and (3) Independent and Individual Residential or Transient Hotels. The highly organized Chicago hotels deal with 28 unions representing more than 30,000 union employees.

Collective bargaining is the process by which hotel labor agreements are reached. As far as the bargaining practices are concerned, unions submit their proposals either before or at the first negotiating session. The chief reasons hotel negotiators prefer the last method is that it relieves the employer of the obligation of a counter-proposal at the first meeting and he can devote his time to exploratory discussion. Counterproposals by the employer follow the union's original proposal and compromises are

are made by both parties. The procedure from there on is rather fluid, depending upon the issues; but eventually a compromise is worked out and agreement is reached.

The strike is the union's major weapon in bargaining with employers. The means by which the union keeps workers out of a struck hotel is the picket line. The strike and picket line back up the union's demands in collective bargaining.

CHAPTER IV
REPRESENTATIVE CLAUSES COMMON TO HOTEL
LABOR AGREEMENTS

The ultimate objective of the conduct of collective bargaining is the labor agreement which sets forth the terms and conditions of employment, the rights of the workers and the union, and the procedures of handling disputes. The preceding chapter has described the bargaining representatives of labor and management, and has shown how the parties go about bargaining. In Chapter IV, a discussion of the clauses of the labor agreement will be presented.

The purpose of this chapter is to analyze 22 hotel labor agreements (See Appendix E) with attention being given to a discussion and presentation of examples of "standard clauses" found most representative by the Employee Relations Department of the American Hotel Association. The 16 clauses selected for consideration in this thesis include the following:

1. Parties to the Agreement
2. Preamble and Purpose Clause
3. Union Security
4. Recognition Clause
5. Management Frerogative
6. Report Guarantee

7. Seniority
8. Grievances
9. Hours and Overtime
10. Vacations and Holidays
11. Wages
12. Strikes and Lockouts
13. Terms of Contract
14. Uniforms
15. Split Shifts
16. Meals⁸⁷

Each set of clauses on a common subject is introduced by brief comments which are designed to indicate something of the relevance and significance of the actual examples which follow. The comments are not intended as complete interpretations of the origin or effect of the various types of provisions.

In addition to the analyses of 16 selected clauses taken from the American Hotel Association study, additional data is included from Bureau of Labor Statistics studies which provides data pertinent to seven of the selected clauses.

So that the reader may be able to see the agreement as a total entity, the "Agreement between Hotel Association

⁸⁷American Hotel Association, "Building a Better Understanding of Employer-Employee Relations," (New York: January, 1957), pp. 24-34.

of New York City, Inc., and New York Hotel Trades Council, A.F.L." is shown in Appendix C.

Parties to the Agreement

The first clause of the hotel labor agreement contains the full names of the employer and of the union as the bargaining representative for the employees. The contracting parties to the agreement can either be the International Union or the local union.

In the larger cities, such as New York, Washington, D.C., Pittsburgh, and Chicago, a master agreement is negotiated through the local hotel association and a union or group of unions, known as Trades Councils or Local Joint Executive Boards. The individual hotel manager signs the agreement after it has been agreed upon by representatives of the unions and the members of the hotel association.

The agreement between the Local Joint Executive Board, of Hotel and Restaurant Employees and Bartenders International Union, AFL-CIO, and the Chicago Downtown Hotels is such an example:

This agreement made and entered into as of the 1st day of April, 1957, by and between the Chicago Downtown Hotels (hereinafter referred to as the "Employer," First Party), and the Local Joint Executives Board of the HOTEL AND RESTAURANT EMPLOYEES AND BARTENDERS INTERNATIONAL UNION, A.F.L.-C.I.O. as exclusive bargaining agent for the following affiliated Local Unions:

- (1) CHICAGO WAITERS ALLIANCE, Local 25;
- (2) COOKS AND PASTRY COOKS UNION, Local 188;
- (3) CHICAGO BARTENDERS & BEVERAGE DISPENSERS UNION, Local 278;

- (4) FEDERATED WAITERS, BARTENDERS, WAITRESSES AND COOKS UNION, Local 356;
- (5) HOTEL AND APARTMENT HOTEL SERVICE WORKERS & MISCELLANEOUS RESTAURANT EMPLOYEES UNION, Local 593; and
- (6) HOTEL, CLUB & RESTAURANT DOORMEN CHECK-ROOM & ATTENDANTS EMPLOYEES UNION, Local 602.

(hereinafter referred to as the "Union" and the "Locals," Second Party), and concerning each of which a Local Union Supplement is attached hereto and made a part hereof.⁸⁸

Preamble and Purpose Clause

The majority of the 22 hotel labor agreements under study contained a preamble or declaration of policy and statement of purpose clause. Such general statements outline in broad terms the objectives to be attained and the methods for achieving them. They indicate the true intent and purpose of the parties in entering into a collective relationship; they epitomize the basic attitudes in the relations between employer, union, and employees; they set forth what both parties desire and expect from the agreement. Preambles emphasize, among other aims, the promotion of greater cooperation and better understanding between the parties and to award maintenance of efficiency and economy in operation. The preamble clause usually contains a mutual pledge of good faith or a statement that the parties agree to be bound by the contract. One such clause reads as follows:

⁸⁸Local Joint Executive Board of Hotel and Restaurant Employees and Bartenders International Union, AFL-CIO, and Chicago Downtown Hotels Agreement, April 1, 1957, p. 1.

It is recognized by this agreement to be the duty of the signatory Employer and the Union to cooperate fully, individually and collectively. The general purpose of the Agreement is in the mutual interest of the Employer and Employees, to provide for the efficient maintenance and operation of the Employers' respective enterprise.⁸⁹

The clause clearly states the declaration of policy to be followed by both parties. Nine of the agreements studied went a little further and pledged to comply with the contract. Such a clause would read:

It is the intent and purpose of the parties hereto to promote harmonious economic and industrial relationships between the Hotel and its employees; and to set forth herein the basic agreement covering rates of pay, hours of work and conditions of employment to be observed between the parties to this agreement. The Hotel and Union jointly agree to perform faithfully the obligations imposed by this agreement.⁹⁰

Union Security

The most common types of union security clauses bear on the closed shop issues, maintenance of membership and check-off authorization. The closed shop means that no one can be hired unless he is a member of the union in good standing and that the employee must remain in good standing in order to keep his job. The closed shop is illegal under the Taft-Hartley Act of 1947. However, these clauses still exist in hotel labor agreements that are still under state laws. The union shop differs from the closed shop in that

⁸⁹Restaurant and Hotel Employers' Council of San Diego, California and the Building Service Employers' International Union, Local 103, June 1, 1959, p. 1.

⁹⁰U.S. Bureau of Labor Statistics, Bulletin No. 686,

the employer is free to hire non-union workers and is the sole judge of the qualification of the applicants. However, when an employer negotiates a union-shop provision, he agrees to require, as one of the conditions of employment, that all, or nearly all, employees must join the union within a specified time and must remain members in good standing.⁹¹ The development of harmonious relationships between management and labor is often advanced as one of the benefits to be gained from union security arrangements. One labor agreement phrased this attitude as follows:

- (a) Both the hotel and the union feel that the greatest amount of harmony will exist, that better labor relations will prevail, and that employee interests will be more adequately represented and better served if all eligible employees become members of the union.
- (b) Accordingly, it is agreed that all eligible employees should within 30 days from their hiring date become and remain members of the union in good standing.⁹²

In a study conducted by the Bureau of Labor Statistics in 1954, the Bureau found provisions for the union shop in 32 hotel agreements. The agreements covered 157.6 thousand workers, or 97 per cent of the workers studied.⁹³

Union Agreement Provisions, (Washington: U.S. Government Printing Office, 1942), p. 18.

⁹¹National Labor Relations Board decisions have emphasized that union membership requirements under the Labor-Management Relations Act may be fulfilled simply by the tender of initiation fees where acquired, and periodic dues.

⁹²U.S. Bureau of Labor Statistics, Monthly Labor Review, "Union-Security Provisions," (1954), p. 765.

⁹³U.S. Bureau of Labor Statistics, Union Shop Provisions in Collective Bargaining Agreements, 1954, p. 2.

These union-shop provisions stipulated some degree of preference for union members in hiring. Usually, the union is permitted to refer union members for job vacancies, who will be considered with other applicants, on the basis of their qualifications.

Under a maintenance-of-membership provision, the employee is not required to join the union, but if he is a member when the clause becomes effective, or later chooses to become a member, he must thereafter maintain his membership as a condition of employment. The prevalence of membership-maintenance clauses in the hotel industry has declined since World War II.⁹⁴

"Check-off" is a dues-collection method whereby the employer agrees to deduct from the employees' pay his union dues, and in some instances, initiation fees, fines, and assessments, for transmittal to the union at regular intervals. The New York City contract on the subject is as follows:

The union agrees to furnish the Employer with memorandum showing the amount of dues payable as members of the union by each of the employees of the Employer covered by this agreement, and the union agrees to furnish the Employer with a memorandum showing the amount of initiation fees payable as members of the union by each of the employees of the Employer of the agreement. The Employer agrees to deduct such initiation fees and dues from the wages and salaries of the respective employees monthly (initiation

⁹⁴Letter from Mr. Phillip Valley, Director of Research, Hotel and Restaurant Employees and Bartenders International Union, AFL-CIO, Cincinnati, Ohio, September 21, 1959.

fees are to be deducted in (2) monthly installments), and the Employer agrees upon such deduction to transmit such sums collected by the Employer to the union in the month of collection.⁹⁵

Check-off is more common in manufacturing than in non-manufacturing agreements. This type of union security is less prevalent in the hotel business because of its high frequency of union-shop agreements.⁹⁶

Recognition Clause

Hotel labor agreements, by their nature, assure sole-bargaining rights to the union. This is supported by Section 9 (a) of the Labor-Management Relations Act, which reads:

"Representatives designated or selected for the purposes of collective bargaining by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representative of all the employees in such unit for the purposes of collective bargaining in respect to rates, wages, hours of employment, or other conditions of employment."

In most hotel agreements, the union's status is further protected by requirements that employees acquire or retain union membership as a condition of employment. However, only 7 per cent of the hotel agreements studied gave

⁹⁵Donald E. Lundberg, Personnel Management in Hotels and Restaurants, (Dubuque, Iowa: William C. Brown Company, 1955), p. 262.

⁹⁶U.S. Bureau of Labor Statistics, Bulletin No. 1091, Prevalence and Characteristics of Selected Collective Bargaining Clauses, (Washington: U.S. Government Printing Office, 1951), p. 22.

exclusive right to bargain for all employees in the unit, union and non-union alike. The San Francisco contract states:

The hotel hereby recognizes the union as the exclusive representative for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment of all employees.⁹⁷

The remaining 93 per cent of the hotel agreements under study read similar to the following:

The Employer recognizes the union as exclusive representative of its employers in those job classifications listed in the supplements for the purpose of collective bargaining...⁹⁸

Management Prerogatives

Management clauses ostensibly reaffirm the right of management to function in that capacity. Unions, for the most part, are inclined to oppose any listing of management functions on the ground that this tends to encourage a rigidity in the industrial relations matters subject to collective bargaining.

Some management prerogative clauses in hotel agreements definitely limit managerial authority. This is usually done by a statement that all or part of the management rights listed in the agreement are subject to grievance procedure; by a requirement of consultation with the union in some way;

⁹⁷Hotel Employers Association of San Francisco and Hotel and Restaurant Employees and Bartenders International Union Agreement, 1956, p. 4.

⁹⁸Chicago Downtown Hotels Agreement, op.cit., p. 2.

or by a specific exclusion of certain matters, such as wages, hours, and working conditions, from managements' authority and a provision that they are subject to change only through collective bargaining.

In other agreements, "management rights" clauses state specifically what is implied in the contract as a whole; namely, that in exercising its recognized functions, management shall not discriminate against employees because of union membership or activity.

A "saving clause" is sometimes insisted upon by hotel employers who are fearful that a specific listing of topics regarded as management functions might prejudice their right to act in matters not covered by the agreement.

Report Guarantee

Under the terms of the 22 hotel labor agreements, employees who are scheduled to work and, in the absence of prior notice, report at the usual time in the expectation of working, are guaranteed some work for the day or pay in lieu of work.⁹⁹

Reporting pay guarantees are designed to compensate workers for part or all of the pay lost if no work is available, and for the inconvenience and expense of coming to work on time. Essentially, reporting pay penalizes management for failing to schedule work efficiently and for calling in

⁹⁹American Hotel Association, Building a Better Understanding of Employer-Employee Relations, Part II, p. 28.

more workers than are needed. From 25 hotel agreements studied by the Bureau of Labor Statistics, slightly more than 64 per cent included provisions for reporting pay. The Bureau also found that reporting pay provisions were much more prevalent in manufacturing than in hotel agreements (non-manufacturing)--90 per cent to 64 per cent, respectively.¹⁰⁰ The difference can be attributed to the nature of the hotel industry. The hotel industry provides continuous service and keeps its facilities open each working day, thereby assuring day-to-day stability in employment for regular employees.¹⁰¹

In the hotel industry, a full day's guarantee is more common than any other provision. However, it is common in the hotel industry to waive or modify the report guarantee if the employer is unable to provide work due to causes or events beyond his control. Fire, floods, "acts of God," and power failure are instances of such factors.

This is a very important clause in the labor agreement. The unions seek to guarantee some work or wage if the employee who reports to work and is sent home; the employer seeks to modify this clause in order to give some flexibility to his operation. The clause should be carefully written to avoid misunderstanding in the interpretation of this clause.

¹⁰⁰U.S. Bureau of Labor Statistics, Reporting and Call-Back Pay in Collective Bargaining Agreements, (Washington: U.S. Government Printing Office, 1956), p. 2.

¹⁰¹Ibid.

Seniority

Seniority clauses, being an integral part of union security, are included in the hotel agreements studied. Seniority clauses present many problems relative to promotions, lay-offs, and dismissals. Before discussing the clauses covering seniority among the contracts under study, it may be well to discuss more fully some implications of the problems mentioned above. A hotel, with a seniority clause in its agreement, should study very closely the workability of restricting its promotions on this basis. Obviously, one employee may be far superior in capacity, even though his job experience, in terms of years, is short of that of many other employees. A rigidly governed path of progression, based on a seniority clause, could effect undue hardship on efficient utilization of man-power. Hotel managers should also consider the extent to which it is most expeditious to apply group seniority rulings. That is, is it better to have department seniority, hotel-wide seniority, or craft seniority? In most hotel agreements, departmental and craft seniority is the most prevalent since this avoids extensive "bumping" in the event of lay-off, which sometimes occurs in hotel-wide seniority.¹⁰² This consideration is important insofar as the transferring of employees may be concerned. Union agreements that have lay-offs based on seniority lists have obviously removed the hotel's authority to exercise and determine the order of lay-off.

¹⁰²American Hotel Association, op.cit., p. 34.

In spite of the many problems which seniority poses for both the union and the employer, both parties have found that the practice of seniority has distinct advantages. Seniority has a definite tendency to prevent favoritism and discrimination in employment. Seniority also reduces the number of voluntary quits, since employees are hesitant to lose seniority standing with one hotel and to start at the bottom of the seniority list in another.¹⁰³ Although seniority does not, by itself, create or preserve jobs, it promises a security of tenure in relatively direct proportion to length of service. Moreover, in the case of short lay-off periods, employees are relieved of the necessity of seeking employment elsewhere, since they have reasonable assurance of reemployment when business improves.

In providing for the possibility of fluctuation in the need for workers, the San Francisco agreement sets forth the basic ground rules governing the order in which workers will be laid off by stating:

In case it shall become necessary for the employer to lay off one or more employees, seniority rules shall apply within classifications; the employee who has been with the (company) the shortest length of time shall be the first to be laid off, and in rehiring, those laid off first shall be the last to be reemployed.¹⁰⁴

¹⁰³Ibid., p. 33.

¹⁰⁴Hotel Association of San Francisco and the Hotel and Restaurant Employees and Bartenders International Union Agreement, 1956, p. 12.

In the Kansas City hotel agreement, seniority is determined by the length of the employee's service since the last date of hiring.¹⁰⁵

Transfers affect the seniority clause in all cases since the hotel could easily cause severe hardship to an employee by transferring him to another hotel. For this reason, the union protects the worker by stating that no employee shall be transferred from a union hotel to a hotel where the union does not have jurisdiction.

Grievances

Hotel labor agreements set up some sort of "grievance" or "adjustment" machinery to handle differences and disputes as to interpretation or application of the agreement, as well as the controversies which arise in the day-to-day working relations of employer and workers. Grievance procedure is thoroughly structured in each agreement and is very similar in application within each of the contracts under investigation. The San Diego labor agreement is included below inasmuch as it encompasses the techniques of most hotel labor agreements and appears to consist of a clearly stated grievance proceeding.

- (1) Oral Presentation of Grievance: Prior to filing a grievance in writing, employees either directly or through their supervisor may, if they so desire, orally discuss the subject matter of the grievance with the supervisor.

¹⁰⁵Kansas City Hotel Association and Local Joint Executive Board of the Hotel and Restaurant Employees and Bartenders International Union Agreement, 1958, p. 12.

- (2) Step One: If the oral discussion provided for in paragraph (1) above does not settle the grievance to the satisfaction of the aggrieved employee, he may directly or through his committeeman present such grievance in writing to the supervisor, or his designated representative, on a grievance form to be furnished by the company. Such written presentation shall include all of the following information:
- a. A statement of the grievance and the facts upon which it is based;
 - b. The remedy or correction requested;
 - c. The section or sections of this agreement claimed to have been violated;
 - d. The signature of the aggrieved employee or employees and the committeeman, if he is presenting the grievance.

The supervisor shall meet with the grieving employee and with the employee's committeeman if such committeeman wishes to be present, and shall attempt to adjust the grievance and shall render a decision thereon in writing within forty-eight hours after such meeting has concluded.¹⁰⁶

In the event the last step fails to settle the complaint, arbitration is necessary.

The aim of grievance arbitration is to prevent work stoppages which might result in the loss of continuous service and wages. In this respect, the procedure may be considered as an extension of the in-hotel grievance machinery. It may be noted that in those hotels in which arbitration is seldom used, the fact that arbitration is available often has a salutary effect upon the processing of grievances.

¹⁰⁶Restaurant and Employers Council of San Diego, California, and the Building Service Employers International Union, Local 103, June 1, 1959, p. 3.

Today, arbitration is a commonly accepted device for settling grievance disputes arising under the terms of the hotel labor agreement. The Bureau of Labor Statistics reported, in 1959, that 97 per cent of all hotel labor agreements contain clauses which provide for arbitration as a final step in the grievance procedure.¹⁰⁷ Labor and management have found that the technique for the peaceful settlement of troublesome disputes yields substantial benefits to both parties.

The increasing acceptance of grievance arbitration in the hotel industry undoubtedly reflects a growing maturity in collective bargaining relationships. Working harmony, or at least some degree of union-management accommodation, is necessary for favorable acceptance of the arbitration procedure and for its continuation. In the process, each side gives up a cherished prerogative: management surrenders a part of its authority to make the final decisions affecting the hotel; the union surrenders the use of a strike or other action, awaiting a decision which may be to its disadvantage.

Hours and Overtime

The hours that constitute a full work week will vary greatly between hotel agreements. In the hotel industry, scheduled hours are permitted to vary according to occupation or seasonal requirements. In this case, a 40-hour week may

¹⁰⁷U.S. Department of Labor, U.S. Bureau of Labor Statistics, Monthly Labor Review, February, 1959, p. 161.

be standard for large groups of workers or for long periods of the year. The following excerpts from agreements in the hotel industry illustrate occupational variations.

Dining Room Employees

Male - The work week shall be 48 hours per week.

Female - The work week shall be 44 hours per week.

Bellmen and Doormen

The hours of work shall be 48 hours per week.

Non-Tip Receiving Employees

The hours of work for male and female employees shall be 40 hours per week.¹⁰⁸

A report from the Bureau of Labor Statistics indicates that an eight-hour day is the standard in the majority of hotel agreements.¹⁰⁹

Virtually all hotel labor agreements provide one and one-half times the regular rate of pay for work on a specified holiday. Double time provisions are in the majority of agreements in the northeast and in the Canadian regions, while the one and one-half times rule dominates the Pacific Coast contracts.¹¹⁰

¹⁰⁸U.S. Bureau of Labor Statistics, Monthly Labor Review, "Hours of Work and Overtime Provisions," 1958, p. 135.

¹⁰⁹Ibid.

¹¹⁰Letter from Mr. M. O. Ryan, American Hotel Association, Washington, D.C., September 3, 1959.

This clause should define a normal work-day and a normally scheduled work week. The purpose of this clause is clear, and it should be stated that the work day and the work week is being defined for the purpose of computing overtime. However, in defining the work week, the employer, as a general rule, seeks the number of days, but will specifically try to avoid naming the days. This is for the purpose of not being committed to a fixed Monday-to-Friday schedule.¹¹¹

In negotiations, the union is apparently in favor of overtime, given proper controls. On the other hand, union objectives do not seem to favor long hours of work, either daily or weekly. One is able to reconcile these positions only by concluding that the union is against a long basic or standard work-day or work-week, but is in favor of long hours when accompanied by both premium pay and negotiated controls. In holding this complex position, labor, like management, seems to recognize money as a cure-all for many of the world's ills.

Vacations and Holidays

Clauses that deal with vacations generally cover employee eligibility, length of time, and pay rate for the vacation period. The main differences that occur in the hotel industry are in the eligibility of the employee and the length of vacation time earned. Each agreement studied

¹¹¹American Hotel Association, op.cit., p. 33.

stated that the employee shall be paid at his regular rate for the period that he is on earned vacation. The Chicago, San Diego, Washington, San Francisco, and Detroit contracts concerning vacations read:

One year full-time employment - one week vacation
Two years full-time employment - two weeks vacation

However, the New York agreement concerning vacations reads:

One year, but less than three years - one week
Three years, but less than five years - one and
one-half weeks
Five years or more - two weeks

All of the 22 hotel agreements studied pay a full day's wage for each of the six holidays: New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.

Many agreements, today, also have the qualification that to be eligible for this vacation pay, the employee must have worked the day preceeding and the day following the holiday. In addition, when a holiday falls on a Sunday and is observed on a Monday, the employee is eligible to obtain that Monday off, also.

Wages

Wages are one of the most integral and important parts of a union agreement. Many employees judge a union's quality of representation on the basis of their wage scale. For this reason, there should be a complete meeting of minds as to what is covered by each job classification. Also, the contract should clearly state the status of an employee when

he temporarily or permanently is put on a job calling for a different wage rate. Furthermore, within the hotel industry, there is a variation in the number of hours in a work week. This is important insofar as it will define an employees' right to overtime pay. To continue this section on wages, an investigation will be made of both the single or individual and job rates of pay.

Of the 22 agreements studied, each incorporates as a part of its agreement, or on a supplementary sheet, a classification of jobs with wage scales. Representative of the labor agreements is the Pittsburgh agreement.

WAGE SCALES (Daily)¹¹²

Classification	Effective	
	June 1, 1958	June 1, 1959
Head Janitor	\$ 11.65	\$ 12.21
Maids	10.12	10.69
Housemen	11.55	12.88
Yardmen	12.59	13.12
Porters, Lobby	10.37	10.79
Valet Help	11.12	11.69

The job, or group rate, consists of a clearly defined minimum and maximum rate. The majority of employees will usually be "hired in" at the minimum job rate and may ultimately progress within the range to the maximum. Upon reaching the top of the range, an employee could receive

¹¹²Pittsburgh Hotel Association and The Hotel and Restaurant Employees and Bartenders International Union Agreement, 1958, p. 14.

further monetary compensation only by being reclassified or promoted to a higher rated job.

To receive merit increases, management generally has full discretion in granting or withholding merit increases. The Chicago and San Francisco agreements provide for the union's review of management's recommendations. Under most instances, the union may challenge the merit position of management through the grievance procedure.¹¹³

Merit progression plans are usually favored by the employer, for they allow him to reward the efficient and highly skilled worker, or the worker who is constantly improving. The union ordinarily opposes the merit system on the ground that it allows too much latitude for favoritism and for discriminatory treatment. The union's position in this matter is well described by Mr. Cheyfitz.

The story of merit rating, or man rating as it is sometimes called, is very similar to the history and abuse and misuse of other scientific management tools. Too often merit rating has resulted in wage increases to "stooges," "apple polishers," and "union busters." Too often has this technique of merit rating been used to "water down" wage rates by keeping all workers at a bottom wage level.¹¹⁴

Hotel labor agreements express that "all gratuities shall be the property of the individual, and shall not be

¹¹³C. Wilson Bandle, Collective Bargaining Principles and Practices, (Boston: The Riverside Press Cambridge, 1951), p. 217.

¹¹⁴Edward T. Cheyfitz, Constructive Collective Bargaining, (New York: McGraw-Hill, 1947, pp. 85-86.

deemed part of the wages payable to the employees covered by the agreement.¹¹⁵

Within the hotel industry, different rates are paid for work in large cities, as contrasted with smaller cities or towns; and for work in certain sections of the country, as opposed to other sections. The wage variations are normally termed geographical differentials. As a rough example of wage differences between various areas, observe the hourly earnings in nine selected cities (see Table III).

As we can see, there is a wide range of rates within each of the five jobs. The disparity of wages seems to be typical. A comparison of regular dining room waiter's wages finds the San Francisco hotels paying the highest hourly rate of \$1.31, or \$.60 per hour greater than the \$.71 hourly rate paid to waiters in Cincinnati. A report from the Bureau of Labor Statistics indicates that the Pacific Coast and Great Lakes are high wage areas according to national standards. The opposite is true of the southeast and border states.

The hotel industry has perpetuated inter-city, and urban-rural differentials. In comparison, the chief industrial unions seek geographical differentials on an area basis, but rarely in terms of inter-city or of urban-rural differences, as is evident in the hotel industry. The union attitude towards area wage variances, then, has been

¹¹⁵Chicago Downtown Hotels Agreement, op.cit., p. 8.

Table III
HOURLY WAGES IN HOTELS IN NINE SELECTED CITIES - 1959¹¹⁶

City	Waiter	Waitress	Bellman	Maid	Dishwasher
San Francisco	\$ 1.31	\$ 1.31	\$.81	\$ 1.52	\$ 1.53
Minneapolis*	.97	.95	.71	1.10	1.07
Detroit	.83	.83	.56	1.04	1.18
Cincinnati	.71	.61	.50	1.02	.96
Chicago	.81	.75	.57	1.06	1.12
New York	.81	.81	.72	1.21	1.29
Boston	.91	.70	.70	1.10	1.14
Washington**	.74	.61	.49	1.10	1.09
Pittsburgh	.87	.82	.72	1.46	1.44

*Minneapolis hotels have a 37½ hour week.

**Waiters, waitresses, bellmen: 48 hours; maids and dishwashers work 40 hours one week, 48 the next, and receive equal weekly rates for both.

Note: These are rates established after many years of bargaining in these cities. In general, rates of cooks and bartenders are highest among hourly rated workers in the industry; housekeeping and kitchen helpers next; dining room personnel next; and front office or service (bellman) workers at the bottom. All except those noted above are 40 hour agreements.

¹¹⁶Hotel and Restaurant Employees and Bartenders International Union, Catering Industry Employee, June, 1959.

somewhat inconsistent.¹¹⁷ This may be due to the fact that most hotel bargaining today is still local rather than industry-wide. It seems valid to conclude that industry-wide bargaining would make more effort to eliminate wage differentials.

Strikes and Lockouts

One of the principle objectives in signing a labor agreement is to protect the employer from strikes and other work interruptions. Therefore, this clause should be clearly stated to be effective. One such example is the New York contract which reads:

...the union agrees that it will not call, engage in, participate in, or sanction any strike, sympathy strike, stoppage of work, picketing of the hotel, sit-down, sit-in, boycott, refusal to handle merchandise, or any other interference with the conduct of the employer's business, for any reason whatsoever; nor will it interfere with any guest or tenant at the hotel, while he is a guest or tenant occupying a room or space, who sells or exhibits non-union-made merchandise or employs non-union help.¹¹⁸

Such a clause is quite important because it clearly recognizes the service nature of the hotel industry; that is, to render continuous and hospitable service to the public in the way of lodging, food, and other necessary hotel accommodations.

The major cause of strike activity in the hotel industry is due to economic issues and questions of union

¹¹⁷Randle, op.cit., p. 239.

¹¹⁸Lundberg, op.cit., p. 262.

security. In 1958, the Bureau of Labor Statistics reported that the hotel industry had 14 stoppages involving 650 employees, causing 8,140 idle man-days.¹¹⁹

Terms of Contract

This is usually the last clause of the hotel agreement. The clause will state the exact date and time of day, such as January 1, 1956, 12:01 a.m., to December 31, 1959, 12:00 midnight. This clause will also contain the number of days prior to the expiration date that notice must be given by one of the parties to the contract to the other, that they wish to reopen or terminate the agreement. However, modifications of the agreement can occur during the life of the agreement. For instance, both parties may find that a specified provision is unworkable or impractical in its application. Some agreements specifically provide for revision by stating the conditions under which revisions may take place. Thus, the agreement may permit modifications at any time during its life after due notice by either party, or at certain specified periods only. In some instances, it is provided that a particular section or sections of the agreement such as wage rates, overtime, work-week sections may be opened for consideration without reopening other portions.

Should the negotiations on the proposed amendments or modifications to an agreement fail, any one of these

¹¹⁹U.S. Bureau of Labor Statistics, Analysis of Work Stoppages, (Washington: U.S. Government Printing Office, 1958), p. 25.

courses may follow: The point at issue may be referred to arbitration; the existing status may remain in effect; or, the entire agreement may terminate. If both parties cannot agree either to submit to arbitration or to terminate the agreement, the existing agreement continues until its termination date.

Selected Clauses Distinctive to Hotel Labor Agreements

Specific provisions of labor agreements depend primarily upon the prevailing circumstances of the particular business involved. It follows, therefore, that the hotel industry provides for certain circumstances which call for agreement provisions different from those included in labor agreements of other types of business. Discussion of the clauses covering uniforms, split shifts and meals is obviously necessary.

Uniforms

The purpose of a clause regarding uniforms is to spell out responsibility for supplying and maintaining them. The question of what constitutes a uniform has often been raised. Present day opinion and definitions are that apparel which could ordinarily be worn in places other than on the job is not considered a uniform. For instance, bellmen are often required to wear black shoes. They would not be considered part of a uniform unless a particular style of shoe was specified. Except for certain waiters'

coats, such as the so-called McAlpen jacket, it is the prevailing custom in hotel contracts to require the employer to furnish any specified uniform and to maintain it by laundering or cleaning it or paying for such cleaning. In many cases, cooks' uniforms are the responsibility of the individual cook to supply and maintain. In recent years, this policy has been the rule, not the exception.

Split Shifts

Because of the peaks and valleys in the normal hotel day's operation in some departments, the split shifts of employees' working time are highly desirable. However, most workers generally dislike split shifts because of the spread of time during which they are liable for duty and because of the inconvenience of traveling back and forth to work more than once a day. Many industrial agreements prohibit split shifts by stipulating that the hours of work shall be continuous and consecutive. However, the daily operation of a hotel is characterized by two or more peak periods, with relatively little interim activity. Hotel agreements usually permit the splitting of shifts, but regulate the number of splits permissible and the length of the spread of hours. For example, only one split in a shift may be permitted, the shift to be completed within 12 hours.

Employees working broken hours receive a wage differential over and above the regular rate of pay. One such agreement reads:

Employees who are scheduled to work a split shift shall receive ten cents per hour above the base rate of pay over the same classification.¹²⁰

Meals

In the hotel industry, meals are provided to some employees, especially those in the food department. If the meals or lodging are deducted from the employees' wages, the agreement will so state. The New York City contract reads:

In cases where the Employer furnishes housing accommodations to its employees, it shall be allowed \$2.50 per week for such housing accommodations.

In cases where the Employer furnishes housing accommodations and meals by the week, it shall be allowed \$7.75 per week.¹²¹

Meals that are served to employees must provide:

adequate portions of a variety of wholesome, nutritious foods. As a standard, it should include at least one of the types of foods from all four of the following groups:

- (1) Fruits and vegetables
- (2) Cereals, bread, or potatoes
- (3) Eggs, meat, or fish
- (4) Milk, tea, or coffee;

except that for breakfast group (3) may be omitted if both cereal and bread are offered in (2).

The housing and meals clause in the agreement is very important; but above all, the wording must be quite clear and leave no room for misunderstanding.

¹²⁰Dearborn Inn and United Catering, Restaurant, Bar and Hotel Workers Local Union 1064, AFL-CIO, 1957.

¹²¹Lundberg, op.cit., p. 260.

Summary

No two hotels have exactly the same technology, working conditions, or employee demands. As a result, no two hotel labor agreements are exactly the same. Despite the fact that little uniformity exists among hotel labor agreements, there remains a basic similarity. The 16 standard clauses analyzed seem to fit into seven major classes.

1. Preamble and Purpose Clauses. The labor agreement includes an introductory clause which broadly outlines the general purpose of the agreement and general pledges of mutual goodwill and confidence.
2. Security Clauses. This group includes such things as recognition of the union; management prerogatives; pensions, insurance, and seniority (which includes lay-offs, promotions, transfers, discharges, and leaves of absence). Also included, are union rights, activities, and responsibilities.
3. Compensation Clauses. These clauses cover job standards, job rates, vacations, sick-leave benefits, overtime compensation rate, deductions, and other matters related to compensation of employees.
4. Enforcement Clauses. These clauses deal with explanation, interpretation, and enforcement of the agreement. They cover such things as grievance procedure, arbitration, strikes and lockouts.
5. Working-Conditions Clauses. Under this category are placed such clauses as definitions of the work-week hours, overtime, shifts, Sunday and holiday work, seniority, health, hygiene, and safety.
6. Duration and Termination Clauses. These are brief clauses dealing with the length of time it is to run, methods of re-opening, renewal, and negotiation.
7. Distinctive Clauses of Hotel Labor Agreements. These clauses deal with circumstances which

call for agreement provisions different from those found in other types of labor agreements. Included are clauses covering uniforms, split shifts, and meals.

CHAPTER V

THE ADMINISTRATION OF THE LABOR AGREEMENT

Our discussion of collective bargaining in the hotel industry has emphasized the nature of the collective bargaining process and the contents of the labor agreement. In Chapter V, a discussion of the final agreement as to its purpose, and administrative considerations in obtaining workable labor-management relations is presented.

Purpose of Labor Agreement

Perhaps more than any other legal document, the labor agreement is a very important part of hotel management. It not only helps in determining what the direct labor cost will be, but to a large extent, also determines management's capacity to direct and control the labor force. In simple terms, the agreement defines the working relationship between hotel management and the union employees, and the methods and procedures which will be followed. As an employer-regulating device, it guarantees certain rights and immunities to the employees by limiting the employer's freedom of action.

Two diverse points of view. There appear to be two different viewpoints as to the purpose of a labor agreement. The first one maintains that a labor agreement is simply a

series of concessions of management. At the start, management has everything; and the agreement, resulting from collective bargaining, represents the narrowing down of management rights.

A second and more modern viewpoint contends that the agreement represents the democratic mutuality of industrial self-government.¹²² Both parties are stimulated by economic self-interest, and through collective bargaining they jointly determine a document which governs their conduct during the period of the agreement. Hotel managers, whether involved in negotiations with a labor organization or not, would do well to accept this latter concept. Such a philosophy need not involve a union, but can take the form of a well-developed plan for an employees' representative committee.

The Significance of the Hotel Agreement

The hotel agreement, at least on one side of the bargaining table, involves organized group relationships rather than individual dealings. It provides for continuous organized relationships between hotel management and union employees.

Today, the labor agreement arrived at by collective bargaining must fulfill three functions: (1) the fixing of the price for labor services; (2) the establishment of worker rights in the hotel industry; (3) the establishment of

¹²²Edwin F. Deal and Edward D. Wickersham, The Practice of Collective Bargaining, (Homewood, Illinois: Richard D. Irwin, Inc., 1959), p. 626.

machinery for the representation of the individual and group interests of employees under contract.¹²³

The Grievance Procedure

One of the major objectives of collective bargaining has been the establishment and regulation of procedures for handling grievances. These procedures are written into the agreement and involve a certain number of steps through which the grievance is processed. A typical step-by-step hotel grievance procedure was presented in Chapter IV. In the event a grievance has not been settled by any of the steps contained in the agreement, the question may, at the request of either party, be submitted to arbitration.

Today, most hotels use the ad hoc method of arbitration. This method provides for the selection of the arbitrator by mutual agreement from a list jointly prepared by the parties, or furnished by some outside person or agency, such as the State Mediator, or Labor Service, a local judge, or the American Arbitration Association.¹²⁴

The arbitrator plays an important role in the maintenance of good industrial relations and since the cases upon which he acts may be of tremendous importance to the hotel and the union, both parties expect him to be impartial, of sound judgment, immune to pressure tactics, and well

¹²³Ibid., p. 319.

¹²⁴American Hotel Association, "Building a Better Understanding of Employer-Employee Relations," (New York: 1957), p. 32.

versed in the field of labor relations. In addition, it is desirable that he be familiar with the hotel industry and its methods of operation and wage payment.

In general, the arbitrator has jurisdiction over three types of issues: (1) interpretation of agreement clauses, where meanings are obscure or questionable; (2) alleged violations of the agreement; and in some situations, (3) new issues arising during the life of the hotel agreement.

The arbitration hearing. The first step in bringing a grievance to arbitration is the stipulation, or submission, generally furnished to the arbitrator before the hearing, although this is not essential unless required by the hotel agreement. In any case, the arbitrator will want to have all of the information contained in the stipulation, which:

1. Notifies the arbitrator of his selection.
2. States the place of hearing.
3. Defines the issue or issues to be decided by the arbitrator.
4. Sets forth the scope of the arbitrator's authority (sometimes by quoting the collective bargaining agreement).
5. May outline hearing procedures.
6. States how expenses are to be apportioned between parties (usually equally).¹²⁵

Although the grievance or issue being brought to arbitration has gone through the previous steps of grievance

¹²⁵Letter from Mrs. L. P. Herrscher, Regional Manager, American Arbitration Association, Detroit, Michigan, August 4, 1959.

negotiation, it is still necessary for the union and management representatives to prepare their cases for the arbitration hearing. Usually, each party comes to the hearing equipped with all factual material concerning the grievance, and is prepared to present briefs or oral arguments to support its case.

As a matter of hearing procedure, the arbitrator will want to know, first, what the issue is; and second, all the background facts which are not in dispute. Before going into details of the grievance, it is helpful to the arbitrator for each side to present a brief introductory statement summarizing its position. These statements generally include, in addition to a definition of the issue and a statement of agreed upon facts, the contract clauses pertinent to the dispute and a listing of the important arguments which will be made.

Each specific type of case calls for its own kind of evidence. For example, disciplinary action may require that the arbitrator determine, frequently from conflicting testimony, whether the employee is guilty or not guilty as charged, or partially guilty and subject to more moderate punishment. In job classification grievances, the arbitrator may need an analysis of the hotel job structure, and complete information about the specific job in question.

Once the actual hearing is completed, posthearing briefs may be filed by the parties, commenting on the evidence

and summing up their position. No new evidence may be presented in these briefs, since the opposing party would have no opportunity to refute it.

The final step, of course, is the award or decision of the arbitrator. This may be a simple announcement of who won, but many arbitrators offer an "opinion" which sets forth the issues and facts in the case and the arbitrator's reasons for arriving at his decision.

The grievance procedure, therefore, is a method of interpreting and applying the agreement to specific cases. It involves the sifting of grievances through a series of appeal steps, with as many cases as possible being settled at each level. Unsettled cases are processed on to a higher level. Finally, arbitration at the top level makes possible a final settlement of grievances without a stoppage of work.

Standards for Content of the Agreement

Constructive collective bargaining in the hotel industry should possibly concern itself with standards for the content of the agreement. An agreement is considered satisfactory if it meets the issues present at the bargaining table. It is easily possible, however, that it could be a better contract if it meets certain fundamental "tests" for a good contract. Mr. Randle suggests the following conditions which a good agreement should meet:

1. It should give security to the union.
2. It should give management reasonable opportunity to select its own employees.

3. It should protect management from being required to discharge valuable employees because of the imposition of discipline by the union unless the discipline has been reviewed by the same umpire who reviews discipline by management.
4. It should give management reasonable freedom to make changes in methods and equipment.
5. It should give workers reasonable protection from technological changes.
6. It should not enforce wasteful utilization of labor.
7. It should provide an orderly way of allocating work in the event of a drop in the demand for labor by the enterprise.
8. It should permit management to retain reasonable incentives to encourage efficiency.
9. It should provide machinery for determining the meaning of the agreement in the event of disputes over its interpretation and for enforcing the agreement in the event of violation by the employer or by the union.
10. It should provide machinery for hearing grievances which do not arise out of alleged violations of the agreement, but which arise because the employer or the union is acting, which the other regards as unfair.¹²⁶

In practice, the content of a hotel agreement depends on various factors, such as the prevailing practices in industry and in other hotels, the cost of living in the particular area, and the requirements of the law. It seems very likely that agreements will continue to grow in the future

¹²⁶C. Wilson Randle, Collective Bargaining: Principles and Practices, (Cambridge, Massachusetts: The Riverside Press, 1951), pp. 546-547.

and cover more and more topics. Thus, one way of defining agreement standards is to say that they are the demands of the union, narrowed down to realistic proportions by bargaining with hotel management.

Administration of the Agreement

No attempt should be made by the negotiators to write a collective bargaining agreement which covers every possible source of difference between the employer and employee. This would result in extensive detail, which would complicate the agreement and make it extremely difficult to interpret.

Making the contract human enough to live under is that part of collective bargaining which deals with the dynamics of the relationships of the parties. Because of changing human relationships, observance of the agreement at one moment may be quite different from observation a short time later. Therefore, it can be stated that the success of a labor agreement depends not so much upon the agreement itself, but rather, upon the way the parties go about using it and living under it.

After the new agreement is launched, neither the union nor management will know the real meaning of the contract until they start operating under it. The new agreement may create trouble where none previously existed. The terms and items of the agreement, now, are unknowns that must be tested. There are also items whose adequacy or inadequacy must be determined in practice. An item may appear to be

good on paper, but in practice, it may be inadequate. Confusion, disagreements, and challenges may occur in the first few weeks after signing the hotel agreement. It is in this time period that enduring impressions and relationships are formed.

Introduction of the contract. The major administrative task is to introduce the new agreement to the hotel employees. Essentially, the introduction of the hotel labor agreement is a study of human relations. It concerns the proper development of new labor-management relationships which cannot take place in an atmosphere of indifference or rigid authoritarianism. The hotel worker must be made to believe that a satisfactory joint adjustment has been made; that the labor agreement heralds a new era of mutually promising relationships. The parties must become convinced of the advantages of understanding and cooperation over misunderstanding and conflict. George Taylor had this to say:

Those who have not worked intimately in the industrial relations field cannot be fully aware of the magnitude and delicacy of the problems met with in applying a labor agreement to plant operations. To begin with, these agreements are not like contracts for the sale of goods; they specify ground rules for a continuing human relationship...The labor agreement has not been drawn that will neatly and exactly provide for every contingency that arises during the year or more of its term. Human relationships are not soundly developed by rigid reliance upon abstract formulae. Allowance must be made for the exercise of considerable judgment applied to the peculiar facets of a particular case.¹²⁷

¹²⁷George Taylor, Government Regulations of Industrial Relations, (New York: Prentice-Hall, 1948), p. 296.

Thus, it can be stated that the signing of the labor agreement is merely the beginning of collective bargaining. Successful administration of the agreement depends primarily upon the degree of cooperativeness existing between all interested parties. Even the poorly written agreement can be effective in promoting good labor relations if this spirit of cooperativeness exists. On the other hand, without this attitude the success of a well-written agreement can be seriously restricted.

Because of this feeling of cooperativeness, relations between the employer and union in the hotel industry are today relatively peaceful and harmonious. The future will depend upon the extent to which these principles continue to govern the actions of the two parties.

A breakdown may occur as the result of the action of either side. Each side may decide on a test of strength. This is most likely to occur as a result of further union demands for increased wages and fringe benefits. Business has now leveled off from the war time peak, and room occupancy in the United States has dipped from a high of 94 per cent in 1946 to the present figure of 67 per cent. During the post war years, the union has achieved many gains. Wages, on the average, have risen approximately 40 per cent since 1945, and in addition, the workers have gained non-contributory insurance, health insurance, and pension plans. The concessions, for the most part, were granted during a

high peak of prosperity for American hotels. Unless business increases proportionately, further wage raises may not be possible.

Hotelmen must base their future actions on a sound personnel policy. The problems of the individual worker must be understood, and a program of human relations must be instituted and carried out. High wages and good working conditions do not automatically produce satisfied and well adjusted workers. Individual adjustment has a complex pattern. The research program conducted by the Western Electric Company in its Hawthorne Plant in Chicago, clearly indicated this.¹²⁸

It was shown in the program at Western Electric, that there existed in the various work groups within a plant an "informal" employee organization of the company. The informal and formal organizations may have separate concepts and ideas. The company may have a set pattern of organization with rules and regulations to govern the actions of the workers. The informal relations within the plant may, in most instances, assume a major role in determining the behavior and actions of the workers with respect to their work, their fellow workers, and their supervisors. The extent to which a hotel manager can recognize and deal with this informal organization within his hotel may well determine the outcome of future relations. Part of the attitude of managers toward their workers comes as a result of the society in which they have lived:

¹²⁸William F. Whyte, Industry and Society, (New York: Harper and Brothers, 1948), p. 185.

As a rule, management has the attitudes, habits, and values of middle-class groups. Their attitudes are of middle-class indoctrination. They are the result of the powerful motivation and the long process of training extending from early childhood through adult life, which the individual born into the skilled working class receives in his family, in his social cliques, and in his social class.¹²⁹

Further understanding of the workers' problems both on and off the job is necessary if harmony is to be achieved. If the manager is able to realize the importance of the informal organization within his hotel; if he can alter his beliefs and attitudes to a reasonable degree, a major share of his labor troubles may be won. Happy and contented workers are not likely to be unreasonable over an issue as those who are dissatisfied with their work and their supervisors. If labor conditions are to remain peaceful in the hotels of the United States, effort on the part of the individual manager is necessary.

In summary, like all management-labor agreements, the hotel and the labor organization work under a labor agreement. This agreement works both ways. It pledges the employee to do certain things just as it pledges the employer to grant certain conditions. As a result, each side feels obligated to live up to the minimum conditions imposed by the agreement. In the future, hotel labor-management relations may well continue to be harmonious if the parties continue to cooperate with each other.¹²⁹

¹²⁹Allison Davis, "The Motivation of the Underprivileged Worker," Industry and Society, William F. Whyte, Ed., 1952., p. 85.

CHAPTER VI

SUMMARY AND CONCLUSIONS

One of the eternal conflicts out of which life is made up is that between the effort of every man to get the most he can for his services, and that of society, disguised under the name of capital, to get his services for the least possible return. Combination on the one side is patient and powerful, combination on the other is necessary and desirable counterpart if the battle is to be carried on in a fair and equal way.

In 1621, the first colony, Jamestown, was established in America and with it, the first inn--or public house. Inns like this one remained rough and small until the mid-19th Century, even though hotels such as the Tremont House of Boston had ushered in new luxuries. E. M. Statler provided pleasing and economical accommodations with the commercial type hotel. Today we have three major types of hotels: (1) commercial, (2) residential, and (3) resort. As the industry grew, employed more workers, and absentee-ownership became common, labor-management relations became strained and there was little communication between the two groups. Unionization seemed an obvious answer to this problem, but the very nature of the industry and the advent of Prohibition made this difficult. However, since the passage of the Wagner Act in 1935, the membership and activity of the Hotel, Restaurant, and Bartenders International Union has increased tremendously.

Federal labor legislation did not begin until the Railway Labor Act of 1926. Since then, two national labor laws have been enacted, which have affected labor-management relations in the hotel industry. They were the (1) Wagner Act of 1935, and (2) Taft-Hartley Act of 1947. The Wagner Act established the National Labor Relations Board. The Board did not take jurisdiction over labor disputes in the hotel industry for it believed that the industry was intrastate in character. However, in December of 1958, the Supreme Court decreed that the NLRB must assert jurisdiction over the

hotel industry. Some states have followed the lead of the national government and passed supplementary labor-relations acts. All of the legislation has aided union organization and the collective bargaining process.

Hotel union members basically are seeking security, recognition, and self-expression through their union. The union is used as a tool to obtain these goals from the employers. Employees must organize to obtain their desired goals. Sometimes this is done when employees request the union to represent them, and in other instances the union solicits membership. Employees join unions for a multitude of reasons, most of which are economic in nature. The basic reasons are improved wages and hours, protection against management favoritism and the benefit features offered by unions. Some employees join a union to provide an outlet for their gripes or as an expression of leadership aspirations. If management does not recognize a union's demands, a strike is the most effective weapon.

Collective bargaining is generally divided into single-unit bargaining and multiple-unit bargaining. Chicago hotel operators use multiple-employer bargaining because it provides them with a strong united front against union demands. The hotels which bargain individually often benefit by the multiple bargaining settlement because this sets the standard. Chicago hotels are divided into three bargaining groups:

- (1) Chicago Downtown Hotels, (2) Residential Hotels, and
- (3) Independent and Individual Hotels. The 28 unions which

have representation in Chicago hotels have also banded together into a Local Joint Executive Board for collective bargaining purposes. The local unions which bargain in Chicago are only a part of the union framework. Each local is a member of an international union, and supervised by a district, region, or joint council. The International union is a member of the American Federation of Labor.

In New York City, the locals were faced with the problem of presenting a united front to the hotelmen of the city. Thus, the locals representing hotel workers formed the New York Hotel Trades Council to insure their contracts and bargaining rights.

Collective bargaining is the method by which unions and hotels attempt to reach a satisfactory work contract. While no standard course is followed in negotiations, a common basic technique is used. Pre-bargaining activities are for the purpose of establishing a plan of meeting, deciding length of negotiation, and making other preliminary decisions. At the first session, bargaining usually begins by the union submitting its list of proposals. The next step is the employer's counterproposal. The rest of the negotiations consist of compromising proposals until an agreement can be reached and a contract drawn up. The only yard stick for measuring the success of the bargaining is the success of the contract during the ensuing contract year. The completed contract incorporates clauses which describe the

working agreement between the employer and organized workers. Each hotel agreement is different, but the clauses of the 22 studied seemed to include seven major sections: (1) preamble and purpose clauses; (2) security clauses; (3) compensation clauses; (4) enforcement clauses; (5) working conditions clauses; (6) duration and termination clauses, and (7) clauses that are distinctive to the hotel labor agreement.

The agreement is the apex of labor-management relationships and represents democratic industrial self-government. The bargaining agreement fixes the price of labor services, establishes rights of workers in the hotel industry, and establishes the system for representation of employee interests under the contract. The collective bargaining contract is not to be confused with a business contract. There should be standards for the content of an agreement, but as it stands at this writing, a contract is satisfactory if it meets all the issues present at the bargaining table. The contract itself is useless unless it is properly administered and interpreted. The most important part of agreement administration is the introduction of the new agreement to the employees. They must be made to feel that the contract is advantageous to them and that they will benefit by it.

The summary of the study presents only references to the major aspects of labor-management bargaining in the hotel industry. Much of the detail has been omitted; however, examination of the body of the thesis will provide the essential supporting data.

The major conclusions based upon the data presented in this thesis are as follows:

1. The historical development of the American hotel and unionization of employees were concurrent in nature. However, union membership was found in this study to have prospered and grown in periods of cyclical upswing and declined in periods of depression. Since 1955, hotel unions have gained in membership, although there has been a decline in hotel occupancy and sales. The increase in union membership during this period may be partially due to the fact that hotel unions have been satisfying the individual needs of its members.
2. Collective bargaining has been used in the hotel industry to settle labor-management disputes in metropolitan areas since the 1930's. Further emphasis was placed on collective bargaining in the hotel industry following the enactment of the Taft-Hartley Act in 1947. The Supreme Court decision of May, 1959, and subsequent rulings by the National Labor Relations Board make collective bargaining a reality in individual hotels or individual units of a chain doing an annual gross business of \$500,000. Since the hotel industry is composed of small independent establishments, the majority of the hotels in the United States will not be affected by the \$500,000 limit and labor-management relations will be controlled by state legislation.
3. Hotels in metropolitan areas are represented in collective bargaining by employer associations, and hotel employees are represented by Trades Councils or Joint Boards composed of delegates from local unions.
4. Industry-wide bargaining is not currently being practiced in the hotel industry. However, labor agreements follow a uniform pattern, possibly due to the influence of the Hotel, Restaurant Employees and Bartenders International Union which serves as a clearing house, provides legal aid and research to the locals.
5. The hotel labor agreement helps preserve labor-management peace through mutual understanding and machinery for the settlement of grievances and disputes.

6. Due to recent changes based upon the Supreme Court and National Labor Relations Board decisions to assert jurisdiction over the hotel industry, collective bargaining will increase in importance in the coming years.

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APPENDIX

APPENDIX A

Case History: Management Activities

Twenty-seven years ago, in depression-ridden 1933, the first attempt to organize the Edgewater Beach Hotel, Chicago, Illinois, was made. This first attempt was initiated by the International Brotherhood of Electrical Workers. Failing to gain voluntary recognition and bargaining rights from management, the IBEW struck. Most of the organized crafts unions in Chicago, hotel and restaurant workers among them, joined the IBEW picket line in sympathy.

The IBEW, after several bitter months withdrew, as did the others, but the Hotel, Restaurant and Bartenders International Union remained for the next six years.

The picket lines attracted sympathy, consternation and respect from as far away as California, Alaska, and New York. But a persistent management refused to capitulate and in 1939 the pickets were withdrawn. Management won this battle and plainly refused to recognize any union. The Business Agent of Local 25 went out to the "Beach" in 1946. By this time, the hotel was represented by anti-union sentiment. Edgewater employees coming under the jurisdiction of the Waiters Union signed and management was petitioned for representation and bargaining rights. Management refused again to recognize the union. Since

the union's only alternative was to strike they were forced to withdraw. By this time, management had convinced their employees that they could offer greater rewards than the union. Pay increases were given, fringe benefits were established, making it difficult for the union to counter-attack.

Once again the union reached the summit, but management refused to open the door. This time, the union took an added step; they asked the Illinois Labor Conciliation Board to hold a hearing. The hearing before the Conciliation Board resulted in a directive from the State Labor Department, which urged the Edgewater to recognize Local 25 as the rightful bargaining agent for the employees in their jurisdiction.

An employees' meeting was held to determine if they desired management to recognize the Labor Department's directive. The vote was in favor of management, so the hotel, once again, refused the Labor Department's directive. This left the union for a third time with no alternative but to strike.

Remembrance of the six costly years the union pickets paraded in front of the hotels caused the union to decide to withdraw once again.

Early in 1953, all the unions affiliated with the Local Joint Executive Board, plus the Building Trades Union, the Teamsters Laundry Workers and Building Service Unions converged on the Edgewater and a few employees were signed.

Management turned their campaign over to a lawyer, and his methods, claimed to be unethical by the unions, resulted in an election favorable to the hotel. The election was held on July 2, 1953.

The unions, undaunted by their previous failures, have never ceased in their efforts to organize the Edgewater. Two organizers, under the direction of the International vice president, recently started the organization of Edgewater Miscellaneous Employees. These organizers gathered a number of these employees. With this impetus, the other unions of the Labor Joint Executive Board delegated officers to contact Edgewater workers within their jurisdiction.

The consent to have, and the procedures for holding an election, were developed through a series of meetings under the leadership of International Representatives, Marcel Kenny and William O. Royalty. Once again, an election was held. This latest attempt has also gone down to defeat.

This is a story of one defeat after another, and perhaps the reader may wonder why the union continues to try. The union states, it is our job to bring organization to the workers in our industry. Defeat of this kind must be turned into victory, if we continue to believe in right over might.

Information for this study was obtained from an interview with Mr. Edward Reynolds, Executive Assistant Manager, Edgewater Beach Hotel, Chicago, Illinois, December 29, 1959.

APPENDIX A

Case History: Union Activities

In the following account of the organizing campaign carried out at the Roosevelt Hotel, Lansing, Michigan, we get a different slant on the various organizing methods used. The case was unique in the respect that it was the first NLRB representation election ever conducted in a Michigan hotel.

The first attempt to organize the Roosevelt Hotel was initiated by the Hotel, Restaurant and Bartenders International Union (heretofore referred to as H.R.E.). H.R.E. requested an NLRB election and the formal petition was filed on August 17, 1959. The hotel's management consented to an immediate vote. To accommodate the 80 employees who were eligible to vote, the polls were open during three periods at the hotel. Balloting was conducted by an NLRB elections officer from 7:00 to 8:30 a.m., 2:30 to 3:30 p.m., and from 5:30 to 6:30 p.m. The Roosevelt employees voted 39 to 26 to be represented by the H.R.E. and on January 4th, 1960, the first local (Local 235) in Michigan was organized after the NLRB was told by the U.S. Supreme Court to assume jurisdiction over the hotel industry.

However, on January 21, 1960, 80 members of Local 235 walked off the job, contending management had not lived up to contract provisions because it had not yet paid retroactive

pay and holiday pay for New Year's and Christmas. The union had charged that although a preliminary agreement had been reached with the hotel's local management on working conditions, no confirmation was received from Mr. Erwin C. Wenzel, Chicago, president of the Lansing Roosevelt Company.

Negotiations were started immediately, with the aid of State Labor Mediator, George Matych, and Federal Mediator, James Addessi.

The strike continued for six days, ending at 4:30 p.m., Tuesday, January 27, 1960. Mr. George R. Nader, Lansing labor consultant, who represented management in the dispute, said the issues were interpreted and clarified in the new contract. Nothing was taken out of the original contract, but it was reworded so that the responsibilities of both parties were made quite clear. Both Nader and Mr. Arlo Strohpaull, A.F.L.-C.I.O. Field Representative from Grand Rapids, complimented management and the strikers on their "peaceful and gentlemanly" conduct throughout the negotiations.

The success of bargaining at the Roosevelt Hotel cannot be known immediately. The final outcome of the negotiations will come during the ensuing contract year. Management and labor will know better at that time whether or not there has been successful bargaining.

APPENDIX B

Hotel Labor Contracts

1. Local Joint Executive Board of Hotel and Restaurant Employees and Bartenders International Union, AFL, and the Chicago Downtown Hotels Agreement, Chicago, Illinois, 1957.
2. Restaurant and Employers Council of San Diego, California, and the Building Service Employers International Union, Local 103, June 1, 1959.
3. Hotel Employers Association of San Francisco and The Hotel and Restaurant Employees and Bartenders International Union Agreement, San Francisco, California, 1956.
4. Pittsburgh Hotels Association and Hotel and Restaurant Employees Alliance, Local 237 of the Hotels and Restaurant Employees International Union, Pittsburgh, Pennsylvania, February 3, 1958.
5. Associated Hotels of Atlantic City and Local Joint Executive Board of Atlantic City, representing Hotel and Restaurant Employees Union, Local 508, and Bartenders Union, Local 491, Atlantic City, New Jersey, 1957.
6. Restaurant and Hotels Employers Council of Southern California and Local Joint Executive Board of Culinary Workers and Bartenders Union, Local 468, Bartenders Union Local 284, agreement, Los Angeles, California, 1958.
7. Retlaw Hotel and Hotel and Restaurant Employees and Bartenders Union, Local 590, Fond Du Lac, Wisconsin, 1958.
8. Niagara Hotel and Buffalo Local Joint Executive Board Agreement, Local 66, Hotel and Restaurant Employees, Local 175, Niagara Falls, New York, 1959.
9. Washington, D.C. Hotel Association and Local Joint Executive Board of Hotel and Restaurant Employees International Alliance Agreement, 1956.
10. Philadelphia Hotel Association and Hotel and Club Employees Union, Local 569 Agreement, 1958.
11. Kansas City Hotel Association and Local Joint Executive Board of the Hotel and Restaurant Employees and Bartenders

International Union Agreement, 1958.

12. Milwaukee Hotel Association and the Hotel and Restaurant Employees International Alliance and Bartenders League of America Agreement, Locals 122 and 64, 1955.
13. Pick-Durant Hotel and Hotel and Restaurant Employees International Alliance and Bartenders International League of America Agreement, Flint, Michigan, 1957.
14. Dearborn Inn and United Catering, Restaurant, Bar and Hotel Workers Local Union 1064, AFL, Agreement, Dearborn, Michigan, 1957.
15. Miami Beach Hotel Association and the Hotel and Restaurant Employees and Bartenders International Union Agreement, Miami Beach, Florida, 1958.
16. Leland, Abraham Lincoln and St. Nicholas Hotels and Bartenders, Hotel and Restaurant Employees Union Agreement, Local 573, Springfield, Illinois, May 25, 1956.
17. Terre Haute House Local Joint Executive Board of the Hotel and Restaurant Employees International Alliance and Bartenders International League of America Agreement, Terre Haute, Indiana, January 20, 1956.
18. Kahler Corporation and the Hotel, Restaurant and Hospital Employees Union Agreement, Local 556, Rochester, Minnesota, August 5, 1955.
19. The Greenbrier and Maintenance Workers Local Union No. 1182 Agreement, White Sulphur Springs, West Virginia, August 30, 1957.
20. Roosevelt Hotel and Local Joint Executive Board representing Cooks Assistants, Waitresses and Cafeteria Womens Local 303 Agreement, Portland, Oregon, 1958.
21. Detroit Hotel Association and Local Executive Board of the Hotel Service and Restaurant Employees and Bartenders Union Local 562 Agreement, Detroit, Michigan, 1958.
22. Sheraton-Biltmore Hotel and Building Service Employees International Union Agreement, Local 134, Providence, R.I., 1956.

APPENDIX C

INDUSTRY-WIDE
COLLECTIVE BARGAINING AGREEMENT

between

Hotel Association of New York City, Inc.

and

New York Hotel Trades Council, A.F.L.-C.I.O.

Signed July 8, 1959

AGREEMENT made this 8th day of July, 1959, between the HOTEL ASSOCIATION OF NEW YORK CITY, INC., hereinafter called the ASSOCIATION, and the operators of hotels who are Active Members of the Association and with respect to whom the UNION (as hereinbelow described) presently has contractual relations, and the operators of hotels with respect to whom the UNION may be hereafter designated as sole collective bargaining agent for the employees in such hotels, and who shall become parties hereto by agreeing to this Agreement, each and every such hotel being hereinafter referred to as the EMPLOYER, and the NEW YORK HOTEL TRADES COUNCIL, hereinafter called the UNION, in its own behalf and in behalf of its several affiliates, namely,

Local Union No. 3 and Local Union No. 1005 of the International Brotherhood of Electrical Workers

Hotel and Club Employees Union Local No. 6 of the Hotel and Restaurant Employees and Bartenders International Union

Local No. 94 and 94A of the International Union of Operating Engineers

Local 144, Hotel & Allied Service Employees Union of the Building Service Employees International Union

Local No. 56 of the International Brotherhood of Firemen, Oilers and Maintenance Mechanics

Hotel Maintenance Painters Local No. 1422 of the Brotherhood of Painters, Decorators and Paperhangers of America

Office Employees International Union, Local No. 153

Hotel Maintenance Upholstery Workers Union Local No. 43 of the Upholsterers International Union of North America

affiliated with the AFL-CIO, and their members, now employed or hereafter to be employed by the Employer.

WITNESSETH:

WHEREAS, the ASSOCIATION is an organization whose active members are engaged in the hotel business in the City of New York and one of whose objects is to promote fair and harmonious labor relations between hotel keepers and their employees, and

WHEREAS, the parties hereto are now under collective bargaining agreement dated July 10, 1957, and

WHEREAS, the parties hereto, desiring to cooperate to stabilize such labor relations by establishing general standards of wages, hours of service and other conditions of employment, and providing arbitral machinery whereby disputes and grievances between employers and employees may be adjusted without resort to strikes, lockouts or other interferences with the continued and smooth operation of the hotel business, have agreed to extend said agreement until June 1, 1963, on the terms and conditions hereinafter stated:

NOW, THEREFORE, the parties hereto agree as follows:

1. (A) That the UNION represents to the EMPLOYER that it represents a majority of the employees covered by this Agreement in each EMPLOYER'S hotel.

(B) That the UNION represents to the ASSOCIATION that it represents a majority of all the employees covered by this Agreement in the hotels comprising the Active Members of the ASSOCIATION.

(C) That the UNION is duly empowered to enter into this Agreement.

The ASSOCIATION and the EMPLOYER hereby recognize the UNION as the sole collective bargaining agency for the employees covered by this Agreement.

2. The UNION agrees that employees of the EMPLOYER shall work for the EMPLOYER upon the terms and conditions set forth in this Agreement.

EXCLUDED CATEGORIES

3. The EMPLOYER and the UNION agree that all employees of an EMPLOYER'S hotel (including all white collar administrative employees included in Schedule A for whom the UNION has been heretofore or shall be hereafter certified as the collective bargaining representative) shall be covered by this Agreement except the following classes of employees which shall be excluded from the provisions of this Agreement: executives, superintendents, department managers, assistant department managers, supervisors, assistant supervisors with executive status having the right to hire or fire or effectively to recommend hiring or firing, house officers, buyers assistant buyers, confidential secretaries, and white collar employees included in Schedule A for whom the UNION has not been heretofore or is not hereafter certified as the collective bargaining representative. In hotels which have heretofore entered into collective bargaining agreements covering any white collar employees the coverage and exclusion from coverage provided in such agreement shall continue in effect.

UNION MEMBERSHIP

4. (A) It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the date of this Agreement shall remain members in good standing and those who are not members on the date of this Agreement shall, on the 30th day following the date of this Agreement, become and thereafter remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its date shall, on the 30th day following the beginning of such employment, become and thereafter remain members in good standing. The union agrees to permit all employees to become and remain members of the Union upon payment by them of initiation fees and periodic dues uniformly required as a condition of membership.

(B) Upon notice in writing from the Union to the effect that an employee is not a member of the Union in good standing as required hereunder, the Employer shall, within five (5) days, discontinue its employment of such employee.

NEW EMPLOYEES

5. Except as provided in 9 (B) (3) hereof, the provisions of this Agreement shall not apply to new employees unless they shall continue in the employ of the EMPLOYER for more than fifteen (15) days.

HOTEL CLASSIFICATIONS

6. (A) For the purposes of this Agreement, the hotels in the City of New York have been grouped as follows:

Transient — Semi-Transient — Residential

The EMPLOYER and the UNION agree that the grouping of the EMPLOYER'S hotel is that set forth opposite its name.

MINIMUM WAGE

(B) (1) Each EMPLOYER shall pay not less than the minimum weekly wages for the total number of hours per week as set forth in the attached schedule.

PART-TIME EMPLOYEES

(2) Any EMPLOYER who shall change the hours of a part-time worker to a full-time week, shall pay to the employee commencing at the time when his or her hours have been so increased, not less than the hourly wage at which a new full-time employee is required to be paid after the 15-day period referred to in Section 5 of this Agreement irrespective of the hourly rate such employee previously received as a part-time employee, anything herein contained to the contrary notwithstanding.

(3) Permanent part-time employees shall be paid not less than 1 and $\frac{1}{4}$ times the hourly wage at which an employee is required to be paid for the first twenty (20) hours of work, pursuant to Section 9 (B) and for the remaining hours of work shall be paid not less than the hourly wage at which an employee is required to be paid pursuant to Section 9 (B).

(4) Regular employed relief employees who are employed for less than a full week shall be considered permanent part-time employees and shall be paid as provided in this paragraph.

EXTRA PAINTERS

(5) An extra painter is one whose employment terminates at any time within ten weeks after the trial period. An extra painter shall be paid not less than the rates established by Section 9 (B) each week and in addition, when his employment is terminated, shall be paid a lump sum equal to \$7.50 for each week of his employment. An extra painter shall be paid for any of the 7 holidays provided for in Section 16 (B) of the Agree-

ment which may occur during his period of employment, and shall receive prorated vacation pay.

A painter who is employed for a period of more than ten weeks after the trial period shall not come within the provisions of the preceding paragraph hereof and shall attain the status of a regular permanent employee. Such a painter shall be paid for any of the aforesaid 7 holidays which may occur during his period of employment (not to exceed a total of six holidays in each of the twelve (12) months beginning June 1, 1959 and June 1, 1960 and 7 holidays in the twelve months beginning June 1, 1961 and thereafter.

HOUSING — MEALS

7. In cases where the EMPLOYER furnishes housing accommodations to its employees, it shall be allowed \$2.50 per week for such housing accommodations.

In cases where the EMPLOYER furnishes meals to its employees, it shall be allowed \$.25 per meal.

In cases where the EMPLOYER furnishes housing accommodations and meals by the week, it shall be allowed \$7.75 per week.

In the event any EMPLOYER, who has heretofore furnished meals and housing accommodations, or both, as part of compensation, shall desire to discontinue the same, he may do so by substituting cash for meals or lodging, as the case may be, at the scales above set forth, in lieu thereof.

If any EMPLOYER, who has not heretofore furnished meals and housing accommodations, or either, as part of compensation, shall desire to do so, and the EMPLOYER and the UNION cannot agree, the matter shall be submitted to the Impartial Chairman for decision.

WORKING HOURS AND OVERTIME

8. (A) The working hours per week upon which the minimum wage is predicated shall be forty (40) hours in five (5) days of the week for all classifications covered by this Agreement.

(B) Effective as of June 1, 1960 the working hours per week upon which the minimum wage is predicated for employees in the engineering and maintenance departments shall be thirty-five (35) hours in five (5) days of the week.

(C) In the event any employee is called in to work on the sixth day he or she shall be provided with at least four (4) hours work.

(D) The EMPLOYER shall be free to fix the daily working hours in the hotel.

(E) It is mutually agreed that the custom existing as of the date of this Agreement among certain employers of maintaining long and short watches and split shifts in certain categories of employees shall be permitted to continue, but shall not be extended. Any changes in the existing custom shall be made only by agreement between the UNION and the EMPLOYER. If they shall fail to agree on a proposed change, the same shall be submitted to the Impartial Chairman as any other dispute arising under this Agreement.

(F) Overtime at the rate of time and one-half shall be paid for all hours worked in excess of 8 hours per day or 40 hours per week.

(G) Effective June 1, 1960 all employees in the engineering and maintenance departments shall be paid overtime at the rate of time and one-half for all hours worked in excess of seven (7) hours per day or thirty-five (35) hours per week.

(H) It is agreed that employees will work a reasonable amount of overtime and on the sixth day when requested to do so at the rates of pay herein provided.

(I) The EMPLOYER may (except for employees in the engineering and maintenance departments after June 1, 1960) establish an eight hour day for any employee previously employed for a work day of less than eight (8) hours. An employee whose regular daily hours of work are increased to eight (8) hours pursuant to the foregoing, shall be paid his or her regular straight time hourly rate of pay for the eight (8) hours. Except as provided in this paragraph, any employee who has previously been paid time and one-half after a shorter work day or shorter work week than specified above, shall continue to receive overtime pay after such shorter work day or shorter work week as heretofore.

(J) Employees whom the EMPLOYER elects to retain on a schedule of seven and one-half (7½) hours per day, shall be paid for eight (8) hours per day, unless the EMPLOYER provides such employees with seven and one half (7½) hours work on the sixth day, in which case the employee shall be paid at straight time for seven and one-half (7½) hours per day during the first five days of the week, and shall be paid at straight

time for two and one-half (2½) hours on the sixth day, and at time and one-half for the remaining five (5) hours on the sixth day. This paragraph shall not be applicable to employees in the engineering and maintenance departments after June 1, 1960.

(K) The EMPLOYER agrees that it will inform employees of their hours of work at least one week in advance. Should changes in the schedule of hours result in any abuses of the rights of employees under the contract, the matter shall be submitted to a committee consisting of Jay Rubin and James A. McCarthy.

(L) All employees shall be entitled to one hour per day for meals. Time out for meals shall not be considered working time.

(M) Waiters and waitresses shall complete service on a guest notwithstanding the fact that the employee has reached his or her quitting time and such additional time shall not be deemed to be overtime.

(N) No employee shall receive overtime pay unless such overtime work has been authorized previously by such employee's department or division manager.

MINIMUM WAGES

9. (A) The minimum weekly wage scales set forth herein shall not be changed except by agreement between the ASSOCIATION and the UNION. No employee shall suffer a reduction in hourly wage rates or fringe benefits previously enjoyed on account of the execution of this Agreement.

The minimum wages set forth in this Agreement, payable by the EMPLOYER, are applicable to a forty (40) hour week for all employees, except that on and after June 1, 1960 said minimum wages for employees in the engineering and maintenance departments shall be applicable to a thirty-five (35) hour week.

When a full time employee works less than the said forty (40) hour week (or the said thirty-five (35) hour week in the case of employees in the engineering and maintenance departments after June 1, 1960) the wage shall be pro-rated on an hourly basis for the number of hours or fractions thereof actually worked. However, when a full time employee is changed to a permanent part-time basis, such employee shall receive his wages in accordance with the applicable provisions of Section 6.

WAGE INCREASES

(B) (1) All employees in the employ of the EMPLOYER on the date of the signing of this Agreement shall receive wage increases as set forth in Schedule 1 attached.

(2) All employees hired after the date of the signing of this Agreement and before June 1, 1960 shall receive the June 1, 1960 and the June 1, 1961 wage increases as set forth in Schedule 1 attached. All employees hired after June 1, 1960 and before June 1, 1961 shall receive the June 1, 1961 wage increase as set forth in Schedule 1 attached.

(3) An employee who, within two years prior to being hired, was employed for at least six consecutive weeks in a classification covered by this Agreement in a Hotel party to this Agreement, shall be paid not less than the following:

(a) If hired on or after the date of the signing of this Agreement but before June 1, 1960, the minimum wage plus an amount equal to the June 1, 1959 wage increase for his job classification as set forth in Schedule 1.

(b) If hired on or after June 1, 1960 the minimum wage plus an amount equal to the June 1, 1959 wage increase plus the June 1, 1960 increase for his job classification as set forth in Schedule 1.

(c) If hired on or after June 1, 1961 the minimum wage plus an amount equal to the June 1, 1959 wage increase plus the June 1, 1960 and the June 1, 1961 increase for his job classification as set forth in Schedule 1.

(4) An employee who, within two years prior to being hired, was not employed for at least six consecutive weeks in a classification covered by this Agreement in a hotel party to this Agreement shall be paid not less than the following:

(a) If hired on or after the date of the signing of this Agreement but before June 1, 1960, the minimum wage fifteen days after being hired and the minimum wage plus an amount equal to the June 1, 1959 wage increase for his job classification four weeks thereafter.

(b) If hired on or after June 1, 1960 the minimum wage fifteen days after being hired and the minimum wage plus an amount equal to the June 1, 1959 wage increase plus the June 1, 1960 wage increase for his job classification four weeks thereafter.

(c) If hired on or after June 1, 1961 the minimum wage fifteen days after being hired and the minimum wage plus an amount equal to the June 1, 1959 wage increase plus the June 1, 1960 and the June 1, 1961 wage increase for his job classification four weeks thereafter.

(5) Extra meal waiters and waitresses shall receive an increase of 12¢ per meal effective June 1, 1959, and additional 12¢ per meal effective June 1, 1960 and an additional 13¢ per meal effective June 1, 1961.

(6) The provisions of this Section 9 (B) shall not apply to banquet waiters and banquet waitresses. The wage increases for these employees are incorporated in Schedule A-1.

EXTRA ROOMS

(C) The EMPLOYER shall have the right to require a maid to do extra rooms during the regular daily hours of work and shall pay seventy cents (70¢) for each such extra room. Effective as of September 1, 1959 the payment shall be increased to seventy-five cents (75¢) for each such extra room. The above provision is not intended to affect the overtime provision elsewhere set forth in this Agreement. The question of compensation for making up cots shall be studied by a committee consisting of Jay Rubin and James A. McCarthy, who shall submit their report within six months after the signing of this Agreement. Any agreement reached by the committee shall be deemed incorporated in this Agreement.

MAJOR STRUCTURAL ALTERATIONS

10. Mechanical and maintenance employees shall be required to perform the work heretofore performed by mechanical and maintenance employees in the hotel business. They shall not, however, be required to do major structural alterations. Any dispute as to whether the work constitutes major structural alterations shall be determined by arbitration as any other dispute arising under this Agreement.

HOTEL RULES

11. The EMPLOYER may continue, and from time to time may change, such rules and regulations as it may deem necessary and proper for the conduct of its business, provided that the same are not inconsistent with any of the provisions of this Agreement. All such rules and regulations shall be observed by the employees.

DUTIES OF EXCLUDED CATEGORIES

12. Nothing herein contained shall prevent employees in the excluded categories from performing the duties that they performed heretofore.

SUBSTITUTES AND RELIEF EMPLOYEES

13. Employees may be called on to substitute for other employees in other positions for meal and rest periods without affecting their wages. Full-time relief employees shall be paid the rate of the minimum wage for the classification of the employee relieved.

LAYOFFS—DISCHARGES, ETC.

14. (A) The EMPLOYER shall have the right to direct and control its employees. The EMPLOYER shall have the right to lay off, promote, transfer or discharge any employee, which action shall not be subject to contest or review. The UNION shall, by representatives designated by it, have the right to confer with the EMPLOYER in behalf of any discharged or laid off employee.

HIRING PROCEDURES

(B) New employees shall be hired in the following manner: A joint UNION-HOTEL ASSOCIATION employment office shall be opened immediately for the hiring of all employees in categories covered by this Agreement, except banquet waiters, banquet waitresses and banquet captains, who are covered by the provisions of Section 25 hereof.

The following principles shall govern the operation of the joint employment office:

The UNION and the ASSOCIATION will jointly establish a central registration office. The ASSOCIATION and the UNION will each establish a branch office for the dispatching of job applicants. The central registration office shall be administered jointly by the Association and the UNION.

Any person, whether or not a member of the UNION, and whether or not previously employed in the hotel industry, seeking to obtain employment in any job category covered by this Agreement, shall fill out a registration form at the central registration office. Each registration form shall contain, among other things, the following information: name, address, age, sex, marital status, occupation, personal references, special qualifications, employment history including the names of hotel employers and

periods of employment in the hotel industry, and such other information as may be required. A copy of all registration forms and a master list of all registered applicants shall be maintained at the UNION branch and at the ASSOCIATION branch of the joint employment office.

Each EMPLOYER party to this Agreement desiring to employ a new employee in any job category covered by this Agreement in his hotel, must apply for such employee to either the UNION branch or the ASSOCIATION branch of the joint employment office. The branch applied to shall select from the file of registered applicants, one or more applicants for the job opening. Preference in referring applicants and in employment shall be given to persons who have been previously employed in the hotel industry in New York City.

Unless an applicant satisfactory to the EMPLOYER shall be referred by 4:00 P.M. of the second business day following the day when the request was made, the EMPLOYER shall be free to fill in the vacancy from any source. An EMPLOYER application for an employee filed after 2:00 P.M., shall be considered as placed on the next business day. The foregoing time limitation shall not apply to emergency extras required by the EMPLOYER. In the case of an emergency extra, unless an applicant satisfactory to the EMPLOYER shall be referred within one (1) hour after the request is made, the EMPLOYER shall be free to hire such emergency extra from any source.

The expenses of the ASSOCIATION branch shall be borne by the ASSOCIATION. The expenses of the UNION branch shall be borne by the UNION. The expenses of the central registration office shall be borne equally by the UNION and the ASSOCIATION.

The records of both branches and of the central registration office shall at all times be open to the inspection of both the UNION and the ASSOCIATION, and there shall be a daily interchange of information regarding persons dispatched to jobs and any and all pertinent data.

No charge or fee whatsoever shall be requested of, or charged to any registrant, job applicant or hotel.

The service of the joint employment office shall be available to all members of the ASSOCIATION, whether or not they are under contract with the UNION.

It is recognized that an EMPLOYER may fill a vacancy from among its employees, including employees in other hotels of the EMPLOYER'S chain.

There is hereby created a Joint Advisory Committee, consisting of three

(3) members appointed by the ASSOCIATION and three (3) members appointed by the UNION. It shall be the responsibility of the Committee from time to time, to promulgate rules and regulations not inconsistent with the procedure herein set forth to govern the management of the joint employment office.

Any question or dispute concerning the operation of the joint employment office shall be subject to the grievance and arbitration procedure set forth in Section 15 hereof.

The UNION and the ASSOCIATION acknowledge that they have not established the Central Registration Office nor the branch offices for the dispatching of job applicants, as provided in this section, but have been using the services of the New York State Employment Service.

If at any time during the life of this Agreement either the ASSOCIATION or the UNION requests full compliance with the provisions of this Section 14 (B), such full compliance shall be effectuated by all parties.

LAYOFFS, SENIORITY, REHIRING

(C) (1) In the event of a layoff in any department, departmental seniority will be observed insofar as compatible with efficiency. In general, the last person hired in a job classification within a department will be the first laid off in such classification and the employee with the greatest seniority in the job classification in the department will be the last laid off in such job classification.

(2) In accordance with the practice that has existed in the Industry, accredited UNION delegates shall not be laid off or discharged without notifying the UNION and without giving the UNION a prior opportunity to confer thereon.

(3) The EMPLOYER shall keep a list of names of all employees laid off during the period of this Agreement and shall furnish the UNION with a copy thereof; and in the event of rehiring, it shall give preference to the persons on said list in order of seniority, provided that it shall not be required to rehire any person from said list unless such person, before being laid off, performed identical tasks in the same department from which he or she was laid off.

(4) An employee absent from work because of sickness or injury on the job for not more than 20 weeks shall be reinstated to his former job with all job rights and seniority, provided the employee is in good health and is physically capable of performing the duties of the job.

The employee shall give the EMPLOYER one (1) week's notice of intention to return to work.

An employee absent from work because of sickness or injury on the job for more than 20 weeks but not more than 40 weeks shall be placed upon a rehiring list and shall be offered the first available job opening in his job classification, provided that at the time the job opening becomes available the employee is in good health and is physically capable of performing the duties of the job. Upon rehiring the employee shall be restored to all his job rights and seniority.

In either case the EMPLOYER may require satisfactory proof of sickness and recovery.

UNION ACTIVITY

(D) No employee shall be discharged or laid off because of union activities. In the event of a claim being made that an employee has been discharged or laid off because of union activities, such claim must be filed with the Labor Manager within one (1) week and disposed of by him within three (3) days thereafter. If the controversy cannot be satisfactorily adjusted between the UNION and the Labor Manager, the same shall be promptly referred to the Impartial Chairman, who shall render his decision within a reasonable time after receiving the claim.

NO DISCRIMINATION

(E) The opportunity to give and obtain employment without discrimination because of race, color, creed or national origin is hereby recognized by the parties to this Agreement.

COMPLAINTS, GRIEVANCES AND ARBITRATION

15. All complaints, disputes or grievances arising between the parties hereto involving questions of interpretation or application of any clause of this Agreement, or any acts, conduct or relations between the parties, directly or indirectly, which shall not have been adjusted by and between the parties involved shall, in the first instance, be submitted to the Labor Manager who will be appointed and employed by the ASSOCIATION to consider and adjust with a duly accredited representative of the UNION, for their joint consideration and adjustment; if they agree, such decision shall be binding on the parties hereto. Should they fail to agree, the question or dispute shall be referred to a permanent umpire to be known as the Impartial Chairman, and his decision shall be final and binding upon the

parties hereto. In the event of a wilful default by either party in appearing before the Impartial Chairman, after due written notice shall have been given to the said party, the Impartial Chairman is hereby authorized to render a decision upon the testimony of the party appearing.

It is hereby agreed that Honorable Edward P. Mulrooney of New York City is hereby designated as the Impartial Chairman under this Agreement.

The compensation of the Impartial Chairman and his proper and necessary expenses shall be shared and paid equally by the ASSOCIATION and the UNION.

Should the Impartial Chairman resign, refuse to act, or be incapable of acting, or should the office become vacant for any reason, the ASSOCIATION and the UNION shall immediately and within five (5) days after the occurrence of such vacancy, designate another person to act as such Impartial Chairman. If they fail to agree, Chief Judge of the Court of Appeals of the State of New York shall, on application of either party, on due notice to the other, summarily make such appointment.

The decision rendered by the Impartial Chairman, shall have the effect of a judgment entered upon an award made, as provided by the Arbitration Laws of the State of New York, entitling the entry of judgment in a court of competent jurisdiction against the defaulting party who fails to carry out or abide by such decision.

VACATIONS

16. (A) (1) All employees covered by this Agreement who shall have been employed continuously for the period specified below shall receive the following annual vacations with pay:

One year but less than two years	one week
Two years but less than three years	one and a half weeks
Three years or more	two weeks

(2) Effective for the calendar year 1960 and thereafter all employees covered by this Agreement who shall have been employed continuously for the period specified below shall receive the following annual vacations with pay:

One year but less than two years	one week
Two years but less than fifteen years	two weeks
Fifteen years or more	three weeks

(3) Vacations shall be given as soon as practical after the completion of the required continuous employment. If deductions for meals were made during the year from the wages of the employee, the vacation pay shall be the full wages without meal deductions, providing the employee does not take meals at the hotel during the vacation period. The vacation pay shall be given to the employee at the end of the week preceding the vacation week. The EMPLOYER shall fix the time or period when such vacation may be taken and shall give the UNION at least two weeks notice of the vacation schedule wherever practicable.

(4) An employee who has completed the required period of employment shall, in the event his employment is terminated prior to receiving his vacation, be entitled to receive his vacation pay.

(5) For the purposes of this Agreement, the services shall be deemed to be continuous, notwithstanding breaks aggregating not more than sixty (60) days in any employment year, due to layoff, or excused absence, or such longer period as may be granted in writing by the EMPLOYER.

(6) Except as provided in the preceding paragraph of this section, an employee whose employment terminates within sixty (60) days prior to the end of his employment year shall receive vacation pay pro-rated in proportion to the number of weeks actually worked during said year.

(7) In the event of illness or injury on the job, services shall be deemed to be continuous notwithstanding breaks aggregating not more than twenty-six (26) weeks in any year, provided, however, that if the illness or injury on the job exceeds sixty (60) days in any year, the employee's vacation pay shall be pro-rated in proportion to the number of weeks actually worked during said year.

HOLIDAYS

(B) (1) The EMPLOYER shall grant to all employees covered by this Agreement six (6) holidays with pay during each employment year from among the following holidays:

New Year's Day	Labor Day
Decoration Day	Thanksgiving Day
July Fourth	Christmas Day
Washington's Birthday	

(2) Effective June 1, 1961 the EMPLOYER shall grant to all

employees covered by this Agreement the seven (7) holidays, above noted, with pay during each employment year.

(3) When an employee is laid off because of lack of work on any of the above holidays which the hotel has scheduled as a paid holiday for such employee, he shall be paid for such holiday if the holiday occurs within twenty (20) working days following the beginning of such layoff, provided the laid-off employee does not receive pay for such holiday from another hotel employer. When an employee is absent because of sickness or injury on the job on any of the above holidays which the hotel has scheduled as a paid holiday for such employee, he shall be paid for such holiday provided he has not been replaced by another employee who receives pay for such holiday. The EMPLOYER may require satisfactory proof of sickness.

(4) Should it be necessary for an employee to work on any of the paid holidays to which he is entitled, he shall receive his regular straight time pay in addition to the holiday pay. Employees shall be notified one week in advance as to whether it will be necessary for them to work on the holiday.

(5) The EMPLOYER shall furnish the UNION, within one (1) month after the execution of this agreement and on or before June 1, 1960 with a list of the six holidays which it intends to grant its employees during the following year.

(6) Newly hired employees who, within two years prior to being hired, were employed for at least six consecutive weeks in a classification covered by this Agreement in a Hotel party to this Agreement shall receive the same holidays as employees already employed in their department.

(7) Employees in departments which are closed for the summer shall be paid for holidays on the list which occur during such closing providing the employee returns to work when recalled to work.

SOCIAL INSURANCE AND PENSIONS

(C) The EMPLOYER agrees to continue to contribute sums of money equal to stated percentages of its payroll to the New York Hotel Trades Council and Hotel Association Insurance Fund and to the New York Hotel Trades Council and Hotel Association Pension Fund, all as provided in Schedules B and C annexed hereto, the terms and provisions of said Schedules B and C being specifically incorporated herein by reference.

FAMILY MEDICAL FUND

(D) The EMPLOYER agrees to contribute to the Union Family Medical Fund of the Hotel Industry in New York City, all as provided in Schedule D annexed hereto, the terms and provisions of said Schedule D being specifically incorporated herein by reference.

STRIKES AND LOCKOUTS

17. Both the UNION and the EMPLOYER recognize the service nature of the hotel business and the duty of the hotel operator to render continuous and hospitable service to the public in the way of lodging, food and other necessary hotel accommodation. Therefore, the UNION agrees that it will not call, engage in, participate in, or sanction any strike, sympathy strike, stoppage of work, picketing of the hotel, sit-down, sit-in, boycott, refusal to handle merchandise, or any other interference with the conduct of the EMPLOYER'S business, for any reason whatsoever; nor will it interfere with any guest or tenant at the hotel, while he is a guest or tenant occupying a room or space, who sells or exhibits non-union-made merchandise or employs non-union help. The EMPLOYER agrees that it shall not lockout its employees, or any part of its employees.

Any such act shall be a violation of this Agreement, and the same, including any and all disputes in reference thereto, shall be submitted to the Impartial Chairman as any other dispute under this Agreement.

During the term of this Agreement there shall be no lockout, strike or stoppage of any kind pending the determination of any complaint or grievance and for a period of ten (10) days thereafter, and then only for the refusal of either party to abide by such determination.

CONTRACT WITH NON-MEMBER HOTELS

18. The UNION obligates itself to enter into no contract whereby any person, firm or corporation operating a hotel in the City of New York shall receive any benefit or aid not accorded to the ASSOCIATION and EMPLOYERS pursuant to the terms of this Agreement.

The UNION agrees to insert a clause in all its Agreements with hotel EMPLOYERS who are non-members of the ASSOCIATION or EMPLOYERS who cease to be members of the ASSOCIATION to the effect that such EMPLOYERS shall submit to the plan of adjustment and arbitration herein provided for. All such non-member hotel EMPLOYERS shall have the option either to pay to the arbitration fund at the rate of fifty-five cents

per room and thirty-five cents per employee per annum as its contribution to the maintenance of the arbitration machinery, or, at the option of the non-member hotel, to pay to the arbitration machinery an amount to be fixed by the arbitration machinery for each case handled by it .

Contracts with such other EMPLOYERS, non-members of the ASSOCIATION, shall not run longer than the period of this Agreement.

STATUS QUO AGREEMENT OF MARCH 23, 1938

19. (A) Any hotel for whose employees the UNION has been certified as the exclusive collective bargaining agent, and which does not become a party to this Agreement by signing the same, shall not have any of the rights, benefits, or privileges of this Agreement; and it is expressly agreed as to such hotels that the status quo agreement of March 23, 1938 shall be forthwith terminated.

(B) In those hotels where the right of the UNION to act as the exclusive collective bargaining agent has not been duly determined, the status quo agreement of March 23, 1938 shall continue in effect, unless (1) such hotel shall refuse to submit for adjustment and/or arbitration any complaint, grievance or dispute brought by the UNION in behalf of its member or members employed in the hotel, or (2) refuse to abide by any decision made by the Impartial Chairman named in this Agreement.

(C) Irrespective of any increase in wages made prior to the execution of this Agreement by an EMPLOYER who has not been previously in contractual relationship with the UNION with respect to any appropriate collective bargaining unit, such EMPLOYER shall nevertheless be required to increase the wages of all employees by the amount of increases set forth in Schedule 1 attached which are effective June 1, 1959, June 1, 1960 or June 1, 1961 as the case may be for the respective job classifications, (but such increase shall not be retroactive) in order to obtain the benefits and privileges of this Agreement, for such collective bargaining unit.

MODIFICATION OF THIS AGREEMENT

20. No employer and no worker or group of workers shall have the right to modify or waive any provision of this Agreement.

VISITATION CLAUSE

21. Authorized representatives of the UNION shall have admission to the establishments of the EMPLOYERS but such representatives shall make

arrangements with the management as to time of making such visits.

It is further agreed that conferences held between UNION representatives and the employees shall not be held during the employees' working time; and if held on the premises, said conference must be within a place arranged for with the management.

NOTICES

22. The EMPLOYER shall permit the UNION to post announcements of meetings and functions on bulletin boards to be provided by the EMPLOYER and placed in convenient positions in the hotel to be designated and provided by the EMPLOYER.

WAGE OR HOUR MODIFICATION

23. The standards of wages or hours, or both, as herein prescribed, shall not be changed during the term of this Agreement; provided, however, that on or about March 1, 1962 either the ASSOCIATION or the UNION may give notice that it desires a change in wages or hours, or both, if either the ASSOCIATION or the UNION shall be convinced that such change is warranted, and call for a conference thereon. If any change shall be agreed upon, it shall become effective as of the 1st day of June, 1962. If, after a change in wages or hours, or both, has been requested, and a thorough canvass of the situation has been made, an agreement with respect thereto has not been reached on the 15th day of May, 1962, the matter shall be submitted to a commission composed of the Impartial Chairman and a representative of the ASSOCIATION, and a representative of the UNION, and the decision of any two members of such commission shall be final and binding upon the parties hereto. Any change in wages or hours awarded or determined by said commission as aforesaid shall be effective as of June 1, 1962. The minimum wage scale as provided in this Agreement shall, however, not be changed during the term of this Agreement, any seeming provision to the contrary notwithstanding.

CONCESSIONAIRES

24. (A) Except as provided in this Section 24 (A) the provisions of Section 4 of this Agreement shall apply to any contractor, concessionaire or lessee doing business or rendering services incidental to hotel operations within the hotel which employs employees in job classifications covered by this Agreement. The wages, hours and other conditions of employment provided for in this Agreement shall be applicable to such employees. This

provision shall not apply to contractors, concessionaires or lessees with whom contracts have been made prior to the execution of the July 10, 1957 Agreement. Any dispute arising out of the interpretation of this provision shall be submitted to arbitration as any other dispute in this Agreement.

Any contract, lease or agreement entered into after July 10, 1957 between a hotel and a concessionaire, or lessee who employs employees in job classifications which are then or at any time in the past have been included in a certification of the UNION as collective bargaining representative in such hotel and/or have been covered by a collective bargaining agreement between the UNION and such hotel, must contain a provision that the concessionaire, or lessee agrees to comply with all the terms and conditions of this Agreement.

CLOSING OF DEPARTMENTS

(B) A Committee, consisting of three members appointed by the ASSOCIATION and three members appointed by the UNION, is hereby created to study the question of the discontinuance of departments employing members of the New York Hotel Trades Council where the EMPLOYER desires to have the work of such departments done by outside contractors on the hotel premises.

In the event the Committee has not reached an agreement within three (3) months after the execution of this Agreement (unless the time is extended by mutual consent of the parties) the matter may be submitted to the Impartial Chairman. Any agreement reached, or decision of the Impartial Chairman, shall become effective as of the date set forth in such agreement or decision. The agreement of the Committee or the decision of the Impartial Chairman, as the case may be, shall be deemed incorporated in this Collective Bargaining Agreement.

Pending agreement of the Committee or decision of the Impartial Chairman, if the matter is submitted to him, any hotel that contemplates discontinuing a department and having the work of such department performed by outside contractors on the hotel premises shall give the UNION and the ASSOCIATION two weeks notice prior to taking such action and shall, upon request, confer thereon with the UNION and the ASSOCIATION.

FURNISHING SECURITY

(C) In order to insure the faithful performance of the obligations contained in this Agreement any restaurant contractor, restaurant con-

cessionaire or restaurant lessee who shall attain such status on or after August 25, 1955 and is covered by the provisions of 24 (A) hereof, shall be required to furnish security in the form of cash or bond in the amount of three weeks' wages prior to entering into the operation of the restaurant.

The cash or bond shall be deposited with the Impartial Chairman. In the event the Impartial Chairman finds that a default has occurred in the payment of cash wages, vacation or holiday payments, insurance fund contributions, pension fund contributions, Union Family Medical Fund contributions, or union dues, he shall order said payments to be made from the cash or bond on deposit with him and shall further order that the cash or bond be restored to its original amount.

In the event a restaurant contractor, restaurant concessionaire or restaurant lessee who is required to post cash or bond hereunder fails to do so, the hotel shall be responsible for any defaults.

At the termination of any restaurant contract, concession or lease the Impartial Chairman shall return the cash or bond, upon being satisfied that there are no unpaid cash wages, vacation or holiday payments, insurance or pension fund contributions, Union Family Medical Fund contributions, and/or union dues.

The form of the bond to be posted shall be subject to the approval of the ASSOCIATION and the UNION and if they fail to agree, the form of the bond shall be determined by the Impartial Chairman.

BANQUET DEPARTMENT

25. The EMPLOYER shall furnish the UNION with a list of banquet waiters and banquet waitresses now employed by, or on the EMPLOYER'S list for such employment; such waiters and waitresses as are not members of the UNION at the time of the execution of this Agreement by the EMPLOYER shall become members of the UNION within thirty (30) days from the execution of this Agreement by the EMPLOYER, and the UNION shall accept such banquet waiters and banquet waitresses as members upon the same terms and conditions as other members. Banquet waiters and banquet waitresses other than those now employed or on the EMPLOYER'S steady list, shall be procured from the UNION to the extent that the UNION is able to furnish same. If the UNION is unable to supply waiters and waitresses satisfactory to the EMPLOYER, the EMPLOYER shall have the right to employ the additional number required from any available source.

The UNION agrees that all individuals who register with it as applicants for jobs as banquet waiters and waitresses, shall be referred to jobs on a non-discriminatory basis and selection of applicants shall not be based on, or in any way affected by, UNION membership, the UNION'S by-laws, rules or regulations, constitutional provisions, or any other aspect or obligation of UNION membership, policies or requirements.

Notice of the provisions of this Section and the functioning of job referrals and hiring arrangements shall be posted on bulletin boards in Hotels and in the UNION where applicants for employment apply for jobs.

The classification of meals, hours, wages and working conditions of banquet waiters and banquet waitresses and banquet captains are contained in Schedule A-1 annexed hereto and made a part of this Agreement.

UNION DUES

26. UNION dues and initiation fees, during the term of this Agreement, shall not exceed the sums set forth in a memorandum to be furnished by the UNION to the ASSOCIATION at the time of the execution of this Agreement.

27. The UNION agrees to furnish the EMPLOYER with a memorandum showing the amount of dues and initiation fees payable as members of the UNION by each of the employees of the EMPLOYER covered by this Agreement. Upon receipt of written authorization the EMPLOYER agrees to deduct such initiation fees and dues from the wages or salaries of the respective employees monthly (initiation fees are to be deducted in two (2) monthly installments) and the EMPLOYER agrees, upon such deduction, to transmit such sums collected by the EMPLOYER to the UNION in the month of collection. The EMPLOYER agrees to furnish to the UNION a list of the employees in its hotel covered by the Agreement and will from time to time furnish to the UNION the names of all such new employees who are to be covered by this Agreement, and also will notify the UNION of employees who have left the employ of the EMPLOYER.

RELIEF APPEALS

28. Whenever it shall appear to the Impartial Chairman that the factual situation with respect to a particular hotel is such that the wage and hour scales provided in this Agreement will work unusual hardship on such hotel, and affect adversely the interest of the workers therein, such

wage and hour scales may be modified, in such hotel, to the extent approved by the Impartial Chairman.

UNIFORMS, ETC.

29. The EMPLOYER agrees that whenever it requires employees to wear special uniforms, such uniforms shall be supplied and shall be laundered at the expense of the EMPLOYER. "McAlpin jackets" shall not be deemed to be special uniforms. The EMPLOYER agrees to supply cooks' uniforms. A cook's uniform is defined as jacket, cap, apron, kerchief and pants.

The EMPLOYER agrees to provide adequate locker space for employees customarily provided with locker space. The EMPLOYER shall provide sanitary places for eating and changing clothes and washroom facilities.

TOURS

30. In case of adult tour parties bellmen shall receive not less than 25¢ for each guest in and 25¢ for each guest out and in case of student and youth tour parties bellmen shall receive not less than 15¢ for each guest in and 15¢ for each out. Effective April 1, 1960 the payment to bellmen for all tour parties, adult as well as youth, will be 25¢ in and 25¢ out for each guest. Any hotel that has already granted and has already put into effect rates more favorable than those set forth, shall continue such rates.

EXPIRATIONS AND RENEWALS

31. This Agreement shall be effective as of June 1, 1959, and shall continue for a period ending the 31st day of May, 1963. The parties agree that negotiations for a renewal of this Agreement shall begin on the first day of March, 1963.

32. (A) This Agreement may be executed by hotel EMPLOYERS on separate copies hereof, and all copies hereof, although separately signed, shall be deemed and taken together as constituting one agreement.

(B) It is agreed that the execution of the within contract by the ASSOCIATION and the UNION shall be deemed to immediately supersede, cancel and annul the July 10, 1957 Agreement which, by its terms, was to expire May 31, 1960, save and except for the provisions as set forth in the Supplemental Agreements marked Schedules B, C and D annexed thereto, which, as modified, are merged in the Supplemental Agreements marked Schedule B, C and D annexed hereto. It is further agreed that each

Agreement made between the UNION and the members of the ASSOCIATION who became parties to the July 10, 1957 Agreement shall likewise be immediately superseded, cancelled and annulled as to those members who become parties to this Agreement by agreeing to the same.

It is further agreed that with respect to any member of the ASSOCIATION who has an agreement with the UNION which by its terms will not expire until May 31, 1960 and who shall fail or refuse to join in the execution of the within Agreement, the old Agreement is to continue in full force and effect until the expiration date thereof; to wit, May 31, 1960 as though this Agreement had not been made.

AFFILIATED LOCALS

33. The UNION and its several affiliates, namely, Local Union 3 and Local 1005 of the International Brotherhood of Electrical Workers, Hotel and Club Employees Union, Local 6 of the Hotel and Restaurant Employees and Bartenders International Union of America, Local 94 and 94A of the International Union of Operating Engineers, Hotel and Allied Service Employees Union, Local 144 of the Building Service Employees International Union, Local 56 of the International Brotherhood of Firemen, Oilers and Maintenance Mechanics, Hotel Maintenance Painters, Local 1422 of the Brotherhood of Painters, Decorators and Paperhangers of America, Local Union 153, of the Office Employees International Union, and Hotel Maintenance Upholstery Workers Union Local 43 of the Upholsterers International Union of North America, hereby agree to be bound by the Provisions of this Agreement, and do signify the same by its execution thereof. All rights, benefits, privileges and/or immunities granted or secured by this Agreement to the UNION or any of its affiliates or members can be enforced only by or through the New York Hotel Trades Council, the UNION herein.

SUCCESSORS AND ASSIGNS

34. This Agreement shall be binding upon the successors and assigns of the parties hereto, and no provisions, terms, or obligations herein contained shall be affected, modified, altered, or changed in any respect whatsoever by the consolidation, merger, sale, transfer, or assignment of either party hereto or affected, modified, altered or changed in any respect whatsoever by any change of any kind in the legal status, ownership, or management of either party hereto.

SEPARABILITY

35. Should any part hereof or any provision herein contained be rendered

or declared illegal or an unfair labor practice by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction or by the decision of any authorized government agency, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions thereof, provided, however, upon such invalidation, the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. The remaining parts or provisions shall remain in full force and effect.

In Witness Whereof, the parties hereto have affixed their hands and seals the day and year first above written.

HOTEL ASSOCIATION OF NEW YORK CITY, INC.

By **William B. Rasor**, President

By **James A. McCarthy**, Executive Vice-President
Association

NEW YORK HOTEL TRADES COUNCIL

By **Jay Rubin**, President
Union

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL
WORKERS LOCAL NO. 3 and LOCAL NO. 1005**

By **James L. O'Hara**

By **Mae C. Healy**

**HOTEL AND CLUB EMPLOYEES UNION, LOCAL NO. 6 of the
HOTEL AND RESTAURANT EMPLOYEES AND
BARTENDERS INTERNATIONAL UNION**

By **James Marley**

**INTERNATIONAL UNION OF OPERATING ENGINEERS,
LOCAL NO. 94 AND 94A.**

By **Thomas Burke**

HOTEL & ALLIED SERVICE EMPLOYEES UNION, LOCAL 144
OF THE BUILDING SERVICE EMPLOYEES
INTERNATIONAL UNION

By **Peter Ottley**

INTERNATIONAL BROTHERHOOD OF FIREMEN, OILERS AND
MAINTENANCE MECHANICS, LOCAL NO. 56

By **Roger Blair**

HOTEL MAINTENANCE PAINTERS, LOCAL NO. 1422 OF THE
BROTHERHOOD OF PAINTERS, DECORATORS AND
PAPERHANGERS OF AMERICA

By **Patrick Kelly**

HOTEL MAINTENANCE UPHOLSTERY WORKERS UNION LOCAL
NO. 43 of the UPHOLSTERERS INTERNATIONAL UNION OF
NORTH AMERICA.

By **Peter Crescenti**

OFFICE EMPLOYEES INTERNATIONAL UNION, LOCAL 153

By **Walter Gorray**

By
EMPLOYER

By
ASSOCIATION

By
UNION

Hotel

Address

Classification of Hotel Date.....

SCHEDULE 1

(A) The following wage increases, based upon a forty (40) hour week as of June 1, 1959 and a thirty-five (35) hour week effective as of June 1, 1961, shall be granted as provided in Section 9 (B) for the following employees in the engineering and maintenance departments who as of June 1, 1960 shall be placed on a thirty-five (35) hour week at forty (40) hour pay:

	Effective June 1, 1959*	Effective June 1, 1960	Effective June 1, 1961
Engineers and Maintenance			
Engineers	\$3.75	THIRTY-FIVE (35) HOUR WEEK AT FORTY (40) HOUR PAY	\$3.50
Firemen	\$3.75		\$3.50
Oilers	\$3.75		\$3.50
Electricians	\$3.75		\$3.50
Air Condition Control	\$3.75		\$3.50
Refrig. Mechanics	\$3.75		\$3.50
Painters	\$3.75		\$3.50
Paperhangers & Sign Painters	\$3.75		\$3.50
Wood Finishers & Polishers	\$3.75		\$3.50
Upholsterers	\$3.75		\$3.50
†Maint. Employees & Helpers	\$3.75		\$3.50
Upholstery Seamstresses	\$3.75		\$3.50
Radio Men and TV	\$3.75		\$3.50

(B) The following wage increases, based upon a forty (40) hour week, shall be granted to the following categories of workers as provided in Section 9 (B):

Captains and hostesses	\$3.75	\$3.50	\$3.50
Cooks (White Jacket Cooks Only)	\$3.75	\$3.50	\$3.50
Service Bartenders	\$3.75	\$3.50	\$3.50
Window Cleaners	\$3.75	\$3.50	\$3.50
Administrative (all as per contract)	\$2.75	\$2.50	\$2.50
Bartenders (Front bars)	\$2.75	\$2.50	\$2.50
Carpetmen	\$2.75	\$2.50	\$2.50
Carpet Washers	\$2.75	\$2.50	\$2.50
Counter men	\$2.75	\$2.50	\$2.50
Curtain Men	\$2.75	\$2.50	\$2.50
Drapery Men	\$2.75	\$2.50	\$2.50
Elevator Operators & Starters	\$2.75	\$2.50	\$2.50
Exterminators	\$2.75	\$2.50	\$2.50
Floor Polishers	\$2.75	\$2.50	\$2.50
Helps Hall Employees	\$2.75	\$2.50	\$2.50

	Effective June 1, 1959*	Effective June 1, 1960	Effective June 1, 1961
Housemen	\$2.75	\$2.50	\$2.50
Incinerator Men	\$2.75	\$2.50	\$2.50
Kitchen Firemen	\$2.75	\$2.50	\$2.50
Lobby Porters	\$2.75	\$2.50	\$2.50
Locker Room Attendants	\$2.75	\$2.50	\$2.50
Night Cleaners	\$2.75	\$2.50	\$2.50
Oystermen including head oysterman	\$2.75	\$2.50	\$2.50
Package Room Attendants	\$2.75	\$2.50	\$2.50
Pantrymen	\$2.75	\$2.50	\$2.50
Rug Shampooers	\$2.75	\$2.50	\$2.50
Sanitors	\$2.75	\$2.50	\$2.50
Sidewalk Men	\$2.75	\$2.50	\$2.50
Soda Fountain	\$2.75	\$2.50	\$2.50
Stewards	\$2.75	\$2.50	\$2.50
Storeroom Men	\$2.75	\$2.50	\$2.50
Swimming Pool Attendants	\$2.75	\$2.50	\$2.50
Telephone Operators	\$2.75	\$2.50	\$2.50
Vacuum Men	\$2.75	\$2.50	\$2.50
Venetian Blind Men	\$2.75	\$2.50	\$2.50
Wall Washers	\$2.75	\$2.50	\$2.50
All others except tip employees but including bus boys	\$2.25	\$2.00	\$2.00
All tip employees except bus boys, captains and hostesses	\$1.25	\$1.25	\$1.25

TIP CLASSIFICATIONS INCLUDE THE FOLLOWING:

Waiters
 Waitresses
 Extra Meal Waiters
 Banquet Waiters and Waitresses
 Turkish Baths (Men's)—Masseurs
 Attendants
 Steam Room Boys
 Floor Boys
 Bellmen and Baggage Porters—T, ST and R
 Doormen and Footmen
 Package Room Messengers
 Pages (boys)

* * *

† All maintenance employees as defined on page 51 of the Collective Bargaining Agreement.

* An employee in the employ of the Employer on the date of the signing of the Agreement who was hired after June 1, 1959, shall receive the increase retroactive to the date of hiring in the case of an employee who, within two (2) years prior to being hired, was employed for at least six (6) consecutive weeks in a classification covered by this Agreement, in a Hotel party to this Agreement and retroactive to a date fifteen (15) days after the date of hiring in the case of other employees.

SCHEDULE A

Minimum Wage Scale Per 40 Hour Week

DINING ROOM

Captains	61.00
Scrub Captains	Regular Waiters' Wage plus \$2.05 per meal
Hostesses	55.50
Waiters	32.40
Waitresses	32.40
Busboys	41.50
Extra Meal Waiters & Waitresses—1 meal	3.88
1 day	7.76
Banquet Captains	61.00

KITCHEN & STEWARD

Sous Chef	97.60
Night Chef	90.60
Saucier	87.60
Garde Manger	86.60
Tournant	86.60
Chef de parties and Chef Butcher	85.60
Banquet Chef	90.60
First Comis-Garde Manger	75.60
First Comis-Saucier	75.60
First Comis-Others	73.60

Hotels that employ special men for fish, soup and hors d'oeuvres—these men are to be classified and receive the minimum wage, the same as the first Comis; in other words, they are not to be classified as Chef de parties.

Working Chef	85.60
First Assistant	75.60
All Assistant Cooks—White Jackets	69.60
Pastry Chef	92.60
First Assistant	76.60
All other assistants	69.60
Ice Cream Chef	82.60
Head Baker	85.60
Night Bakers	78.60
Bakers	78.60
Head Vegetable Men	58.60
All other Vegetable Men	55.20
Chicken and Fish Butchers	69.60
Head Oysterman	65.60
All other Oystermen	61.60
Head Pantryman	60.60
Pantrymen, Coffee men, etc.	55.10

	Minimum Wage Scale Per 40 Hour Week
Head Silverman	56.60
Regular Silvermen	51.60
Dishwashers	51.60
Potwashers	54.60
Kitchen Runners	51.60

* * * * *

Base wage scale fixed herein for all of the foregoing classifications, and for Cooks, Waiters and Waitresses in the "Helps Hall", shall include meals.

* * * * *

HELPS HALL

Head Cook	69.60
Assistants	61.60
Waiters	39.40
Waitresses	39.40

BAR

Bartenders (Public Bars)	68.60
Bartenders (Service Bars)	74.60
Bar Boys	51.60

1. Bars doing less than an average of \$100.00 in sales per day shall be classed as "Inactive Bars" and the base scale for bartenders shall be \$66.60 per week.
2. Bar Boys or Bar Porters may be appointed Assistant Bartenders or Apprentices at \$60.60 per week with the understanding that at the end of 6 months their wage rate will be increased to the base rate for Bartenders. One Assistant Bartender or Apprentice will be allowed for every three bartenders employed.

HOUSEKEEPING

Maids—Including Day and Night Chambermaids, Staff Maids, Parlor Maids and Lobby Floor Maids	49.00
Bath Maids	50.00
Housemen—Meaning those employees who do general housemen's work including Vacuum Men, Shade Men, Curtain and Draperies hangers and Carpet Washers.	58.60
Employees who are employed part-time window washers and do housemen's work	63.60
Wall Washers	63.60
Furniture Polishers	57.60

**Minimum Wage Scale
Per 40 Hour Week**

LAUNDRY

Washers	59.60
Wash Room Helpers	56.60
Extractors	
Pullers	
Tumblers (Wet and Dry)	
Guest Markers and Assorters	56.60
Hand Ironers (Shirt Finishers and Silk Ironers)	56.60
Operators & Starchers	55.60
Press Operators	
Uniform Press Operators	
Starchers (Collar and Cuffs) and Sock Washers	
Hand Washers	55.60
Curtain Men	55.60
Flat Workers	54.60
Shakers	
Feeders	
Receivers	
Folders	
Miscellaneous Workers	54.60
Linen Exchange	
Linen Men	
Chute Men	
Bundle Workers	
Porters	
Steamstresses (who also do laundry work)	

FRONT SERVICE

Elevator Starters	60.60
Elevator Operators, Passenger	59.20
Elevator Operators, Service	60.30
Bellmen and Baggage Porters	
	T 28.70
	ST 28.70
	R 31.60
Lobby Men and Lobby Porters	53.60
Doormen and Footmen	39.40
Check Room Attendants (those retaining tips)	49.60
Package Room Messenger	32.40
Package Room Employees	51.60

WHITE COLLAR (ADMINISTRATIVE) EMPLOYEES

Accounting Clerks	61.60
Circuit Clerks	56.60
E. F. Typists	57.60

	Minimum Wage Scale Per 40 Hour Week
F. & B. Checkers	58.60
F. & B. Control and Card Control Clerks	57.60
File Clerks	55.80
Floor Clerk	51.60
F. O. Cashiers	64.10
Guest History Clerks	55.60
Key, Mail, Info. Clerks	55.80
Night Auditors	67.10
Payroll Clerks	60.60
Reservation Clerks	57.60
Restaurant and Bev. Cashiers	57.60
Room Clerks	64.60
Stenographers	59.80
Timekeepers	57.60
Typists	57.60
Voucher Clerks	57.60
Watchmen and Patrolmen	54.10

TELEPHONE

Telephone Operators	59.60
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*ENGINEERING & MAINTENANCE

Engineers	A	82.60
	B	78.60
	C	75.60
Firemen	A	72.60
Oilers		70.10
Electricians		74.60
Electric Switch Board Operators		66.60
Helpers		60.60
Helpers in Engineering Dept. (Including Ice Pullers & Makers)		60.60
Air Condition Control Men		73.60
Refrigeration Mechanics		75.60
Painters		73.60
Paper Hangers and Sign Painters		78.60
Wood Finishers		73.60
Upholsterers		73.60
Upholsterer's Seamstresses		68.60
Maintenance Employees		73.60
Maintenance Helpers and Apprentices		60.60

*Effective as of June 1, 1960, the working hours per week upon which the minimum wage is predicated for employees in the Engineering and Maintenance Departments shall be thirty-five (35) hours in five (5) days of the week and the minimum wage shall be the minimum wage for forty (40) hours set forth above.

**Minimum Wage Scale
Per 40 Hour Week**

VALET DEPARTMENT

Tailors	61.60
Pressers	61.60
Dry Cleaners	65.60
Runners and delivery boys	32.40

PRINT SHOP EMPLOYEES

Compositors	60.60
Press Operators and Linotype	70.60
Miscellaneous employees	55.60

TURKISH BATHS (Men's)

Masseurs	32.40
Attendants	34.40
Steam Room Boys	31.40
Floor Boys	36.40

MISCELLANEOUS

Bottlers and Assistant Bottlers	50.60
Carpetmen	58.60
Coal Passers	51.60
Exterminators	57.60
Floor Polishers	58.60
Food and Beverage Storeroom men	53.60
Furniture Polishers (doing maintenance work)	61.60
Ice Men—Cutters	54.50
Incinerator Men	57.60
Kitchen Firemen	56.60
Linen Handlers and Distributors (Male) excluding laundry employees	54.60
Linen Room Girls	54.60 50.60
Linen Room Seamstresses	52.60
Locker Room Men	50.60
Newspaper Delivery Boys	50.60
Pages (Boys)	32.40
Sidewalk men	51.60
Soda Fountain Employees	56.60
Swimming Pool and Room Attendants	50.60
Window Cleaners employed exclusively for window washing	73.60
Yardmen and Garbagemen	51.60

* * * * *

It is agreed that, if any employee shall be engaged in work of any class or kind which has not been included in any of the specific classifications herein, the wages and hours and conditions of work for such employee shall continue as heretofore.

SCHEDULE A-1

CLASSIFICATION OF MEALS, HOURS AND WAGES FOR BANQUET WAITERS, BANQUET WAITRESSES AND BANQUET CAPTAINS.

(Wage scales set forth herein shall include meals)

	Effective June 1, 1959	Effective June 1, 1960	Effective June 1, 1961
BANQUET WAGES			
Breakfast — Starting between 7:00 a.m. and 11:00 a.m., consuming 3 hours.	\$4.75	\$4.88	\$5.00
Luncheon — Starting between 11:00 a.m. and 3:00 p.m., consuming 3½ hours.	5.00	5.13	5.25
Afternoon Tea or Cocktail Party — Starting between 2:30 p.m. and 5:00 p.m., consuming 3 hrs.	4.50	4.63	4.75
Dinner or Supper — Starting after 6:00 p.m., consuming 4½ hours.	5.50	5.63	5.75
Dance (no food) — Starting after 8:00 p.m., consuming 5½ hours.	5.00	5.13	5.25
Additional for each setting up and each clearing off.	2.10	2.20	2.30

In setting forth the stated hours and the time to be consumed by these various functions, it is not the intent that overtime compensation shall be paid in the event that the service exceeds the approximate hours set forth herein. In the event of any flagrant violation of the provisions, the Union shall have the right to take the matter to the Labor Manager as in any other complaint under this Agreement.

The hours designated for any function shall be the hours, beginning at the time the service-men report on the floor for duty, exclusive of any time consumed for dressing or eating.

No additional pay for public reception in connection with a dinner.

Committee reception in connection with a dinner, held in a private room, wherein the waiter also serves at the dinner — \$2.00 in addition to regular wages effective June 1, 1959, \$2.10 effective June 1, 1960 and \$2.20 effective June 1, 1961.

Buffet, starting before 6:00 p.m., to be paid for at Luncheon Prices.

Buffet, starting after 6:00 p.m., to be paid for at Dinner Prices.

WORKING CONDITIONS

1. Service-men shall report one hour before the function is scheduled to begin.
2. Set-up men shall report ready for duty one hour before the service-men report.

3. Clear-off men shall remain until function terminates.
4. Fifteen covers shall be considered the standard set-up for breakfast and for supper (except in the case of an elaborate supper, in which case the set-up shall be ten). Ten covers shall be considered the standard set-up for luncheon and dinner.
5. Tables of eleven and twelve will be accepted as a regular set-up in exceptional cases, but not as a regular procedure.
6. Thirteen to seventeen covers shall be considered a "split" table for which, for breakfast and luncheon, an extra \$1.55 shall be paid, effective June 1, 1959, \$1.65 effective June 1, 1960 and \$1.75 effective June 1, 1961 and for dinner an extra \$2.05 shall be paid effective June 1, 1959, an extra \$2.15 effective June 1, 1960 and an extra \$2.25 effective June 1, 1961.
7. Double tables of 20 to 24 shall be considered 2 tables as far as wages are concerned, except for breakfast where double tables shall be considered a "double split."
8. Unoccupied tables, on collection parties, shall be paid at the prevailing rate of wages.
9. Set-up and clear-off men shall follow the general industry practice of servicing forty covers.
10. In cases where no set-up men are provided and waiters are required to set-up their own tables, each waiter shall be paid 55¢ extra in addition to his regular pay.
11. When food is not provided, due to the late hour or otherwise, waiters shall be paid 25¢ extra in addition to their regular pay.
12. Payment of wages and gratuities shall be made as soon as possible after the termination of service but in no case later than 48 hours after the function, except in exceptional cases.
13. Extra Banquet Captains who work on a daily basis instead of a weekly basis, shall be paid for breakfast and luncheon \$6.92 effective June 1, 1959, \$7.27 effective June 1, 1960 and \$7.62 effective June 1, 1961, and shall be paid for dinner \$7.92 effective June 1, 1959, \$8.27 effective June 1, 1960 and \$8.62 effective June 1, 1961. It is understood that they will work during the entire period of the function, including the time required for setting-up and clearing off.
14. Banquet clear-off men at dinner dances who are required to remain more than one hour after the services of food terminates, shall be paid, in addition to their regular clear-off wages, as compensation for the additional hours they are required to remain until the function terminates, the flat sum of \$2.50 effective June 1, 1959, \$2.60 effective June 1, 1960 and \$2.70 effective June 1, 1961.

(It is understood that this rule will be uniform in all hotels for Dinner Dances and the various arrangements now in effect in individual hotels will be modified to conform with this procedure.)

15. In order to avoid errors and confusion the Union shall provide the employer with the names of the extra men referred for a function at least two hours before they report for work.

(This provision can be effective only in cases where the hotel calls the Union not later than 3:30 p.m. on the day preceding the date of the function.)

16. Under no circumstances shall a Banquet Waiter or delegate of waiters or employees have the privilege or right to discuss working conditions, wages or gratuities with Banquet Committees or guests. All grievances must be referred to the Headwaiter, and by the Delegate only.
17. It is understood that the hours, wages and working conditions for extra banquet waiters and captains provide a minimum standard for all hotels. Any hotel that has already granted and put into effect conditions more favorable to the Union than those listed above will be obligated to continue such practices now existing except as otherwise provided in No. 14 above.
18. Banquet waiters, at all functions with music, where the function continues after 2:00 a.m., shall be paid for work performed after 2:00 a.m. at the rate of \$4.00 per hour. This rate shall be paid in addition to the present clear-off rates, as set forth in paragraph 14 above, for banquet clear-off men who are required to remain more than one hour after the service of food terminates. Any hotel which has already granted and put into effect conditions more favorable to banquet waiters than those listed above shall continue such more favorable practices.
19. On or before October first of each year a committee of the ASSOCIATION and a committee of the UNION shall meet to determine the wages to be paid employees for the following New Year's Eve. In the event the parties are unable to reach an agreement by November first the matter may be submitted to arbitration.

INSURANCE FUND

SCHEDULE B

SUPPLEMENTAL AGREEMENT dated the 8th day of July, 1959 between the Hotel Association of New York City, Inc., hereinafter called the ASSOCIATION, and the operators of hotels who are Active Members of the ASSOCIATION, and with respect to whom the UNION (as hereinafter designated) has been designated as sole collective bargaining agent for the employees in the hotel covered by this Agreement, and who shall become parties hereto by executing this Agreement or a duplicate thereof, each and every such signatory hotel being hereinafter referred to as the EMPLOYER, and the NEW YORK HOTEL TRADES COUNCIL, hereinafter called the UNION, in its own behalf and in behalf of its several affiliates and their members, now employed or hereafter to be employed by the EMPLOYER.

WHEREAS, the ASSOCIATION, the EMPLOYER and the UNION have simultaneously herewith executed a Collective Bargaining Agreement and

WHEREAS, as part of the consideration for the execution of the Collective Bargaining Agreement, the EMPLOYER agreed to contribute sums of money equal to a stated percentage of its payroll to a Fund to be used to provide life, accident and health, and hospitalization insurance to employees covered by the Collective Bargaining Agreement, and employed by the member hotels, and

WHEREAS, the EMPLOYER, under the award dated September 13, 1944 and under subsequent collective bargaining agreements, made contributions to the Fund to provide for employees covered by the Collective Bargaining Agreement benefits similar to the benefits contemplated by the within Agreement, and

WHEREAS, the July 10, 1957 Agreement made between the parties is superseded by the Collective Bargaining Agreement executed simultaneously herewith and it is desired to continue payments to the Fund to provide the benefits hereinafter set forth,

NOW, THEREFORE, in consideration of the premises, the EMPLOYER and the UNION agree that the Collective Bargaining Agreement shall be supplemented by adding hereto the following provisions:

1. The term "employees of the EMPLOYER" as used in this Supplemental Agreement means all of the employees of the EMPLOYER who are covered by and are entitled to the benefits of the Collective Bargaining Agreement.

2. The EMPLOYER shall continue to pay the Trustees (hereinafter called the "Trustees") designated under an Agreement and Declaration of Trust dated as of August 1944 as amended on July 1, 1948 (a copy of which Agreement and Declaration of Trust has been exhibited to the EMPLOYER and approved by the EMPLOYER), the terms and provisions of which Agreement and Declaration of Trust are herein specifically incorporated by reference, a sum of money equal to three and one-half percent (3½%) of the wages computed as heretofore payable to the employees of the EMPLOYER for the preceding pay period, to be administered and expended by the Trustees pursuant to the provisions of the Agreement and Declaration of Trust, for the purpose of providing life, accident and health, and hospitalization insurance to the employees covered by the Collective Bargaining Agreement and employed by the EMPLOYER. An employer not previously a party to the Collective Bargaining Agreement shall,

upon becoming a party to the Collective Bargaining Agreement pay to the Trustees 6½% of the wages during the first six months following the effective date of the Agreement in such employer's hotel and 3½% of the wages thereafter.

3. If the Trustees shall complain that any EMPLOYER has not made full payment to the Trustees as set forth in paragraph No. 2 hereof, such complaint shall be filed with the Impartial Chairman named in the Collective Bargaining Agreement and the Impartial Chairman shall make the necessary findings and award and his decision shall be final and binding on the parties.

4. No employee shall have the option to receive instead of the insurance benefits any part of the contribution of the EMPLOYER. No employee shall have the right to assign the insurance benefits or any other benefits to which he may be or become entitled to under the Agreement and Declaration of Trust or to receive a cash consideration in lieu of such benefits either upon termination of the trust therein created, or through severance of employment or otherwise.

5. During the term of this Supplemental Agreement the UNION obligates itself to enter into no contract or agreement whereby any EMPLOYER engaged in the hotel business in the City of New York will not be obligated to pay the amount required to be paid to the Trustees as set forth in Paragraph No. 2 hereof. During the term of this Supplemental Agreement, the UNION agrees to insert a clause in all of its Collective Bargaining Agreements with hotels employing members of the UNION engaged in the hotel business in the City of New York to the effect that the hotel shall pay to the Trustees under the Agreement and Declaration of Trust the sums set forth in paragraph No. 2 hereof (as the same may from time to time be modified according to the terms hereof), to be applied under the Agreement and Declaration of Trust. This paragraph may be waived by an instrument in writing executed by the Board of Directors of the HOTEL ASSOCIATION OF NEW YORK CITY, INC., and the UNION.

6. (A) This Supplemental Agreement and the Collective Bargaining Agreement and the Agreement and Declaration of Trust shall be construed as a single document, and all the provisions of the collective Bargaining Agreement relating to the Administration and enforcement thereof (including provisions for arbitration) shall apply to the administration and enforcement of this Supplemental Agreement.

(B) The Trustees, in their own names as Trustees, may institute or

intervene in any proceedings at law, in equity, or in bankruptcy for the purpose of effectuating the collection of any sums due to them from the EMPLOYER under the provisions of paragraph No. 2.

7. In the event that legislation is enacted by the Federal, State or Municipal Governments levying a tax or other exaction upon the EMPLOYER for the purpose of establishing a Federally, State or Municipally administered system of life, health and accident, or hospitalization insurance under which the employees of the EMPLOYER are insured, the EMPLOYER shall be credited, against the sums payable under paragraph No. 2 for each pay period with the amount of such tax or exaction payable by him for such pay period.

8. The provisions of this Supplemental Agreement shall remain in full force and effect for the full term of the Collective Bargaining Agreement, but shall terminate and come to an end with the Collective Bargaining Agreement, or prior thereto by an instrument in writing executed by the Board of Directors of the HOTEL ASSOCIATION OF NEW YORK CITY, INC., and the UNION.

9. All contributions made prior to the date of this Supplemental Agreement by the EMPLOYER, or due from the EMPLOYER, under the provisions of the Award by the Commission dated September 13, 1944 and under subsequent collective bargaining agreements and in the hands of the Trustees as of the date of this Supplemental Agreement (and not, as of the date of this Supplemental Agreement, already applied to the purchase of insurance benefits for employees), and in whatever form or investments such contributions shall be, shall be deemed to be covered and controlled by, and embraced in and applied under, the terms of the within Supplemental Agreement and the Agreement and Declaration of Trust, free from all rights and claims therein and thereto on the part of any EMPLOYER or of the UNION, with the same force and effect as if such contributions, in whatever form the same may be, had been contributed by the EMPLOYER immediately after the execution of the within Supplemental Agreement.

10. The primary purpose of the Supplemental Agreement and the Agreement and Declaration of Trust being to provide a practical plan for insurance benefits for employees, it is understood that the form of the plan, and of this Supplemental Agreement and of the Agreement and Declaration of Trust, shall not give rise to a literal or formal interpretation or construction; such interpretation or construction shall be placed on this Supplemental Agreement and the Agreement and Declaration of Trust

as will assist in the functioning of the plan, for the benefit of employees, regardless of form.

11. In no event will the EMPLOYER be entitled to the return of any part of any contribution hereafter made hereunder, or heretofore made under the prior Award of the Commission hereinabove referred to or under collective bargaining agreements.

12. Regardless of the date on which the within Supplemental Agreement shall be executed, the within Supplemental Agreement shall be effective as of June 1, 1959 with the same force and effect as if it had been actually executed on that date. The within Supplemental Agreement shall, in all things, supersede the aforesaid prior Award of the Commission.

13. Neither the execution of this Agreement or any provision herein contained or contained in any other agreement affecting the same, shall be deemed to release the EMPLOYER from any contribution or contributions provided for in the Commission's Award of September 13, 1944, or in collective bargaining agreements, and not yet paid to the Trustees under the terms of said Commission's Award or under collective bargaining agreements.

14. For the purpose of calculating contributions, wages shall be defined as including vacation pay, overtime pay, holiday pay, value of meals and lodgings where such are part of an employee's wages commencing from the 1st day of employment, whether such employment be permanent, temporary, casual, part-time or extra.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Agreement to be executed by their duly authorized representatives upon the day and year first above written.

By
EMPLOYER

By
ASSOCIATION

By
UNION

Address of Employer

Street

City and State

Operating the Hotel

PENSION FUND

SCHEDULE C

SUPPLEMENTAL AGREEMENT dated the 8th day of July, 1959 between the **HOTEL ASSOCIATION OF NEW YORK CITY, INC.**, hereinafter called the **ASSOCIATION**, and the operators of hotels who are Active Members of the **ASSOCIATION**, and with respect to whom the **UNION** (as hereinafter designated) has been designated as sole collective bargaining agent for the employees in the hotel covered by this Agreement and who shall become parties hereto by executing this Agreement or a duplicate thereof, each and every such signatory hotel being hereinafter referred to as the **EMPLOYER**, and the **NEW YORK HOTEL TRADES COUNCIL**, hereinafter called the **UNION**, in its own behalf and in behalf of its several affiliates and their members, now employed or hereafter to be employed by the **EMPLOYER**.

WHEREAS, the ASSOCIATION, the EMPLOYER and the UNION have simultaneously herewith executed a Collective Bargaining Agreement and

WHEREAS, as part of the consideration for the execution of the Collective Bargaining Agreement, the EMPLOYER agreed to contribute sums of money equal to a stated percentage of its payroll to a Fund to be used to provide pensions to employees covered by the Collective Bargaining Agreement employed by the member hotels, and

WHEREAS, the EMPLOYER, under the Supplemental Agreement dated June 19, 1952, and the Collective Bargaining Agreement dated August 25, 1953, made contributions to the Fund to provide pensions for employees covered by the Collective Bargaining Agreement, and

WHEREAS, the July 10, 1957 Collective Bargaining Agreement made between the parties is superseded by the Collective Bargaining Agreement executed simultaneously herewith and it is desired to continue the payment to the Fund to provide the benefits hereinafter set forth,

NOW, THEREFORE, in consideration of the premises, the EMPLOYER and the UNION agree that the Collective Bargaining Agreement shall be supplemented by adding hereto the following provisions:

1. The term "employees of the EMPLOYER" as used in this Supplemental Agreement, means all of the employees of the EMPLOYER who are covered by and are entitled to the benefits of the Collective Bargaining Agreement.

2. The EMPLOYER shall continue to pay to the Trustees of the NEW YORK HOTEL TRADES COUNCIL AND HOTEL ASSOCIATION PENSION FUND (hereinafter called the "Trustees") designated under an Agreement and Declaration of Trust dated as of the 17th day of December 1952, as amended, (a copy of which Agreement and Declaration of Trust has been exhibited to the EMPLOYER and approval by the EMPLOYER), the terms and provisions of which Agreement and Declaration of Trust are herein specifically incorporated by reference, a sum of money equal to two percent (2%) of the wages payable to the employees of the EMPLOYER for the preceding pay period, to be administered and expended by the Trustees pursuant to the provisions of the Agreement and Declaration of Trust, for the purpose of providing Pensions to the employees covered by the Collective Bargaining Agreement employed by the EMPLOYER.

3. If the Trustees shall complain that any EMPLOYER has not made

full payment to the Trustees as set forth in paragraph No. 2 hereof, such complaint shall be filed with the Impartial Chairman named in the Collective Bargaining Agreement and the Impartial Chairman shall make the necessary findings and award and his decision shall be final and binding on the parties.

4. No employee shall have the option to receive any of the pension fund benefits other than those specifically provided for in the Pension Plan to be promulgated and adopted by the Trustees. No employee shall have any right to assign any benefits to which he may be or become entitled under the Agreement and Declaration of Trust or any pension plan or to receive a cash consideration in lieu of such benefits either upon the termination of the trust therein created or through severance of employment or otherwise.

5. During the term of this Supplemental Agreement the UNION obligates itself to enter into no contract or agreement whereby any EMPLOYER (including concessionaires in hotels) engaged in the hotel business in the City of New York will not be obligated to pay the amount required to be paid to the Trustees as set forth in Paragraph 2 hereof. During the term of this Supplemental Agreement the Union agrees to insert a clause in all of its Collective Bargaining Agreements with hotels (including concessionaires in hotels) employing members of the Union engaged in the hotel business in the City of New York to the effect that the hotel shall pay to the Trustees the sums set forth in Paragraph 2 hereof, to be applied under the Agreement and Declaration of Trust. This paragraph may be waived by an instrument in writing executed by the Board of Directors of the HOTEL ASSOCIATION OF NEW YORK CITY, INC., and the UNION.

6. (A) This Supplemental Agreement and the Collective Bargaining Agreements and any amendments or additions thereto shall be construed as a single document and all of the provisions of the Collective Bargaining Agreement relating to the administration and enforcement thereof, including provisions for arbitration, shall apply to the administration and enforcement of this Supplemental Agreement.

(B) The Trustees, in their own names as Trustees, may institute or intervene in any proceeding at law, in equity, or in bankruptcy for the purpose of effectuating the collection of any sums due to them from the EMPLOYER under the provisions of Paragraph 2.

7. The provisions of this Supplemental Agreement shall remain in full

force and effect for the full term of the Collective Bargaining Agreement or any extensions or renewal thereof, but shall terminate and come to an end with the Collective Bargaining Agreement or prior thereto by an instrument in writing executed by the Board of Directors of the HOTEL ASSOCIATION OF NEW YORK CITY, INC., and the UNION.

8. All contributions made prior to the date of this Supplemental Agreement by the EMPLOYER or due from the EMPLOYER under the provisions of the Supplemental Agreement dated June 19, 1952 and under subsequent collective bargaining agreements and in the hands of the Trustees as of the date of this Supplemental Agreement and in whatever form or investments such contributions shall be, shall be deemed to be covered and controlled by, and embraced in and applied under the terms of the within Supplemental Agreement and the Agreement and Declaration of Trust, free from all rights and claims therein and thereto on the part of any EMPLOYER or of the UNION, with the same force and effect as if such contributions, in whatever form the same may be, had been contributed by the EMPLOYER immediately after the execution of the within Supplemental Agreement.

9. The primary purpose of this Supplemental Agreement and the said Agreement and Declaration of Trust being to provide within the limits of the contributions provided for herein, a practical plan for benefits for employees upon their retirement, it being understood that the form of the plan, and of this Supplemental Agreement and of the Agreement and Declaration of Trust, shall not give rise to a literal or formal interpretation or construction; such interpretation or construction shall be placed on this Supplemental Agreement, and the Agreement and Declaration of Trust, as will assist in the functioning of the plan, for the benefit of employees, regardless of form.

10. In no event will the EMPLOYER be entitled to the return of any part of any contribution hereafter made hereunder, or heretofore made under the Supplemental Agreement dated June 19, 1952, or any subsequent collective bargaining agreement.

11. Regardless of the date on which the within Supplemental Agreement shall be executed, the within Supplemental Agreement shall be effective as of June 1, 1959 with the same force and effect as if it had been actually executed on that date. The within Supplemental Agreement shall in all things supersede the aforesaid prior Supplemental Agreement.

12. Neither the execution of this Agreement nor any provision herein

contained or contained in any other agreement affecting the same, shall be deemed to release the EMPLOYER from any contribution or contributions provided for in the Supplemental Agreement dated June 19, 1952, or any collective bargaining agreement, and not yet paid to the Trustees under the terms of said Supplemental Agreement.

13. In the event that the obligation of the EMPLOYERS to make EMPLOYER contributions shall terminate, or upon the liquidation of the Trust Estate, the Trustees shall continue to apply the Trust Estate to the purposes specified in Paragraph 2 hereof and none other, and upon the disbursement of the entire Trust Estate this Trust shall terminate.

14. For the purpose of calculating contributions, wages shall be defined as including vacation pay, overtime pay, holiday pay, value of meals and lodgings where such are part of an employee's wages commencing from the 1st day of employment, whether such employment be permanent, temporary, casual, part-time or extra.

IN WITNESSS WHEREOF, the parties hereto have caused this Supplemental Agreement to be executed by their duly authorized representatives upon the day and year first above written.

By
EMPLOYER

By
ASSOCIATION

By
UNION

Address of Employer

Street

City and State

Operating the Hotel

SCHEDULE D

FAMILY MEDICAL CARE FUND

SUPPLEMENTAL AGREEMENT dated the 8th day of July, 1959 between the Hotel Association of New York City, Inc., hereinafter called the ASSOCIATION, and the operators of hotels who are Active Members of the ASSOCIATION, and with respect to whom the UNION (as hereinafter designated) has been designated as sole collective bargaining agent for the employees in the hotel covered by this Agreement, and who shall become parties hereto by executing this Agreement or a duplicate thereof, each and every such signatory hotel being hereinafter referred to as the EMPLOYER, and the NEW YORK HOTEL TRADES COUNCIL, hereinafter called the UNION, in its own behalf and in behalf of its several affiliates and their members, now employed or hereafter to be employed by the EMPLOYER.

WHEREAS, the ASSOCIATION, the EMPLOYER and the UNION have simultaneously herewith executed a Collective Bargaining Agreement and

WHEREAS, as part of the consideration for the execution of the Collective Bargaining Agreement, the Employer agreed to contribute to a Fund to be used to provide medical care to the families of employees,

NOW, THEREFORE, in consideration of the premises, the EMPLOYER and the UNION agree that the Collective Bargaining Agreement shall be supplemented by adding hereto the following provisions:

1. (a) The term "employees of the EMPLOYER" as used in this Supplemental Agreement means all of the employees of the EMPLOYER who are covered by and are entitled to the benefits of the Collective Bargaining Agreement.

(b) The term "family" as used herein means an employee's spouse and children under the age of 19 years.

2. The EMPLOYER shall continue to pay to the Trustees (hereinafter called the "Trustees") designated under an Agreement and Declaration of Trust dated as of July 10th, 1957 (a copy of which Agreement and Declaration of Trust has been exhibited to the EMPLOYER and approved by the EMPLOYER), the terms and provisions of which Agreement and Declaration of Trust are herein specifically incorporated by reference, 2½¢ per hour for each straight time hour worked by employees of the EMPLOYER, payable monthly, except that in any week in which an employee works thirty-two (32) hours or more the contribution shall be One Dollar (\$1.00) for such week and except that in the case of Banquet waiters the contribution shall be 10¢ per banquet waiter per function, to be administered and expended by the Trustees pursuant to the provisions of the Agreement and Declaration of Trust, for the purpose of providing medical care to families of employees.

3. If the Trustees shall complain that any EMPLOYER has not made full payment to the Trustees as set forth in paragraph No. 2 hereof, such complaint shall be filed with the Impartial Chairman named in the Collective Bargaining Agreement and the Impartial Chairman shall make the necessary findings and award and his decision shall be final and binding on the parties.

4. No employee and no member of an employee's family shall have the option to receive instead of the benefits any part of the contribution of the EMPLOYER. No employee and no member of an employee's family

shall have the right to assign any benefits to which he may be or become entitled to under the Agreement and Declaration of Trust or to receive a cash consideration in lieu of such benefits either upon termination of the trust therein created, or through severance of employment or otherwise.

5. During the term of this Supplemental Agreement, the UNION obligates itself to enter into no contract or agreement whereby any EMPLOYER engaged in the hotel business in the City of New York will not be obligated to pay the amount required to be paid to the Trustees as set forth in paragraph No. 2 hereof. During the term of this Supplemental Agreement, the UNION agrees to insert a clause in all of its Collective Bargaining Agreements with hotels employing members of the UNION engaged in the hotel business in the City of New York to the effect that the hotel shall pay to the Trustees under the Agreement and Declaration of Trust the sums set forth in paragraph No. 2 hereof (as the same may from time to time be modified according to the terms hereof), to be applied under the Agreement and Declaration of Trust. This paragraph may be waived by an instrument in writing executed by the Board of Directors of the HOTEL ASSOCIATION OF NEW YORK CITY, INC., and the UNION.

6. (a) This Supplemental Agreement and the Collective Bargaining Agreement and the Agreement and Declaration of Trust shall be construed as a single document, and all the provisions of the Collective Bargaining Agreement relating to the Administration and enforcement thereof (including provisions for arbitration) shall apply to the administration and enforcement of this Supplemental Agreement.

(b) The Trustees, in their own names as Trustees, may institute or intervene in any proceedings at law, in equity, or in bankruptcy for the purpose of effectuating the collection of any sums due to them from the EMPLOYER under the provisions of paragraph No. 2.

7. The provisions of this Supplemental Agreement shall remain in full force and effect for the full term of the Collective Bargaining Agreement, but shall terminate and come to an end with the Collective Bargaining Agreement, or prior thereto by an instrument in writing executed by the Board of Directors of the HOTEL ASSOCIATION OF NEW YORK CITY, INC., and the UNION.

8. The primary purpose of the Supplemental Agreement and the Agreement and Declaration of Trust being to provide a practical plan of medical

care for the families of employees, it is understood that the form of the plan, and of this Supplemental Agreement and of the Agreement and Declaration of Trust, shall not give rise to a literal or formal interpretation or construction; such interpretation or construction shall be placed on this Supplemental Agreement and the Agreement and Declaration of Trust as will assist in the functioning of the plan, for the benefit of the families of employees, regardless of form.

9. In no event will the EMPLOYER be entitled to the return of any part of any contribution hereafter made hereunder.

10. Regardless of the date on which the within Supplemental Agreement shall be executed, the within Supplemental Agreement shall be effective as of June 1, 1959 with the same force and effect as if it had been actually executed on that date.

11. Contributions shall be payable from the first day of employment, whether such employment be permanent, temporary, casual, part-time or extra, and shall be payable for each paid holiday and for each day of paid vacation. Contributions shall not be payable for overtime hours, nor shall contributions during any payroll week exceed \$1.00 for any employee.

12. Neither the execution of this Agreement or any provision herein contained or contained in any other agreement affecting the same, shall be deemed to release the EMPLOYER from any contribution or contributions provided for in the Supplemental Agreement dated July 10, 1957, or any collective bargaining agreement, and not yet paid to the Trustees under the terms of said Supplemental Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Agreement to be executed by their duly authorized representatives upon the day and year first above written.

By
EMPLOYER

By
ASSOCIATION

By
UNION

Address of Employer

Street

City and State

Operating the Hotel

To: Hotel Association of New York City, Inc.:

In connection with the Agreement which we have this day executed, we submit that it is intended that Section 17 of the Agreement covers all of the points set forth in the following paragraphs:

"The UNION and the employees agree that they will not, at any time, either directly or indirectly, interfere with or prevent the EMPLOYER from purchasing merchandise or any service requirements which it may desire from any source whatsoever because of the employment by the said source of non-members of a union or non-union workers, and the UNION and the employees further agree that they will not refuse to handle, sell, deliver or work on any such merchandise which may be so purchased.

"The UNION and the employees further agree that they will not call, participate in or sanction any sympathy strike of the employees because the EMPLOYERS purchase any merchandise manufactured by or any service requirements supplied by non-members of a union or by employers of non-union workers or because it has such merchandise manufactured for it by non-members of a union or employers of non-union workers. Such a strike shall be in violation of this Agreement.

"The UNION and the employees further agree that they will not call upon the EMPLOYER to participate or assist in the enforcement of any public or silent boycott against any product sold or offered for sale, or used by the EMPLOYER.

"In the event any dispute shall arise with respect to any of the foregoing provisions, the same shall be submitted to the Impartial Chairman as any other dispute in this Agreement."

We further wish to submit that it is intended that employees to be classified as in the "Maintenance Department" shall include those engaged in doing plastering, mason work, tile setting, lathing and cement work; carpentry; plumbing and steamfitting, upholstering and mattress making; painting, furniture varnishing and paper hanging; operating and maintaining house radio systems; mechanical work on elevators; machine work, locksmithing and key work; silversmithing, coppersmithing and tin-smithing, boiler repair work.

The painting, decorating and paperhanging includes the service of painting, decorating, woodfinishing, paperhanging, and preparatory work incidental to each of the aforementioned as follows:

- (a) The service of painting and decorating means the application of all paint and painting material of every description in and on all parts of the hotel.
- (b) The service of paperhanging includes the application and/or installation of wallpaper, hangings and decorating materials of every kind or description applied directly to any surface in the hotel.
- (c) Woodfinishing and polishing. The removal of all wood surfaces, cleaning, refinishing, varnishing and polishing of furniture and wood fixtures in the hotel.

An Electrician is one who installs, adds to, repairs or maintains any electric conduits, equipment, machines, fixtures, or electrical devices, that carry conductors that will or do carry an electrical current.

Faithfully yours,

NEW YORK HOTEL TRADES COUNCIL

By **Jay Rubin, President**.....

Accepted:

Hotel

By

New York City

Dated:

To:

In consideration of your execution of the agreement (hereinafter referred to as the Hotel Association contract) between Hotel Association of New York City, Inc., New York Hotel Trades Council and various members of the Hotel Association, it is understood and agreed that if New York Hotel Trades Council and/or any of its affiliates shall make an agreement or other arrangement with another hotel association and/or with an individual hotel owner in the City of New York which does not include the union shop and/or check-off or which contains provisions in lieu thereof or contains other provisions and terms which you may consider more favorable than the terms of the Hotel Association contract, whether or not such terms and provisions would be construed by the Impartial Chairman as benefits or aids within the meaning of Paragraph 18 of said contract, then, in such event, you shall have the right to be released from the Hotel Association contract upon signing such other agreement; or if all employers who shall have signed the Hotel Association contract accept the provisions of such other agreement, then the Hotel Association contract shall be deemed amended so as to conform thereto without further action, and any provisions of the Hotel Association contract inconsistent therewith shall be of no further force and effect.

NEW YORK HOTEL TRADES COUNCIL

By **Jay Rubin**, President.....

Dated: July 8, 1959.

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ROOM USE ONLY

ROOM USE ONLY

~~APR 26 1963~~

~~MAY 26 1963~~

~~OCT 3 0 1964~~

~~NOV 1 1964~~

~~NOV 30 1964~~

~~MAY 5 1965~~

~~JUN 2 1966~~

~~MAY 13 1968~~

~~APR 13 1968~~

~~MAY 20 1968~~

