

Plantations Offer Cash Payments For Current Perquisites

Special to The Tribune-Herald
HONOLULU, Aug. 14 (Via Radio-
phone) — Following up the sugar
industry's offer to add \$5,000,000
annually to sugar workers' wages,
industry representatives late Tues-
day presented to the ILWU their
plan for converting perquisites of
free housing, fuel and medical care
into cash payments.

This was the seventh collective
bargaining meeting between indus-
try and union representatives for a
new contract to replace present con-
tracts which will expire August 31.

On the basis of a preliminary
survey the industry estimated rental
under the scale proposed will
average 20 to 30 per cent under com-
parable OPA rental ceilings.

Under terms of the perquisites
conversion to cash plan proposed
by the industry, workers would
receive 15 cents an hour in lieu
of perquisites. This would mean
an increase in cash wages of
\$31.20 a month for the average
sugar worker.

Out of this amount he would pay
house rental and fixed charges for
water, electricity, fuel and medi-
cal care. A workers overtime
earning would add measurably to
the \$31.20 figure, industry represen-
tatives said.

Approximately 50 percent of the
sugar industry's workers are single
men and will benefit materially
from the perquisites conversion
plan because their rental and other
expenses would not total \$31.20
a month, industry asserted.

A large number of homes, in-
dustry spokesmen said, contain
more than one wage earner, which
would mean that payments made
under the conversion to cash plan
would increase materially the total
earning power of many workers
who double up on living expenses.

In addition to presenting the
schedule of rental charges the in-
dustry explained its proposal of
charges for other services now
furnished workers without charge.

Water and electricity charges
would be made, spokesmen said, or
the basis of established county
rates in effect in the locality. Medi-
cal care would be made available
through group medical plans on
each plantation similar to plans
now in effect at or contemplated by
pineapple plantations.

The plantations would continue
to make available without charge
to all workers recreational facili-
ties and numerous village services
such as policing, garbage collector
and street cleaning.

The offer to convert perquisites
to cash payments was contained
in the industry's wage proposal
submitted to the union early in
August.

Under the proposal the minimum
wage would be increased to 65 cents
an hour, everywhere except on Ha-
waii where it would be 62½ cents
and would be based on elimination
of perquisites and upon the union's
acceptance of a job classification
system presented to the ILWU last
June.

The industry said the total in-
crease to workers would be five
million dollars. ILWU representa-
tives rejected the offer and have
not submitted a counter wage pro-
posal.

ILWU Receives New Plan For Sugar Workers

Following up the sugar indus-
try's offer to add \$5,000,000 an-
nually to sugar workers' wages,
industry representatives Tuesday
afternoon presented to the ILWU
their plan for converting per-
quisites of free housing, fuel and
medical care into cash payments.

This was the seventh collective
bargaining meeting between indus-
try and union representatives
for new contracts to replace con-
tracts which will expire Aug. 31.

On the basis of a preliminary
survey, the industry estimated,
rentals under the scale proposed
will average 20 to 30 per cent
under comparable OPA rental
ceilings.

Under terms of the perquisite
conversion to cash plan proposed
by the industry, workers would
receive 15 cents an hour in lieu
of perquisites. This would mean
an increase in cash wages of \$31.20
a month for the average sugar
worker. Out of this amount he
would pay house rental and fixed
charges for water, electricity, fuel
and medical care. A worker's
overtime earnings would add ap-
preciably to the \$31.20 figure, in-
dustry representatives said.

Benefits Seen

Approximately 50 per cent of
the sugar industry's workers are
single men and will benefit ma-
terially from the perquisite con-
version plan because their rental
and other expenses would not total
\$31.20 a month.

A large number of homes, in-
dustry spokesmen said, contain
more than one wage earner,
which would mean that payments
made under the conversion to cash
plan would materially increase the
total earning power of many
workers who "double up" on liv-
ing expenses.

In addition to presenting the
schedule of rental charges, the
industry explained its proposal
of charges for other services
now furnished workers without
charge.

Service Charges

Water and electricity charges
would be made, spokesmen said,
on the basis of established county
rates in effect in the locality.

Medical care would be made
available through group medical
plans on each plantation similar
to plans now in effect at or con-
templated by pineapple planta-
tions.

The plantations would continue
to make available without charge
to all workers recreational facili-
ties, and numerous village ser-
vices such as policing, garbage
collection and street cleaning.

Plan Submitted

The offer to convert perqui-
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tained in the industry's wage
proposal submitted to the union
early in August. Under the pro-
posal, the minimum wage would
be increased to 65 cents an hour
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ILWU last June.

The industry said the total in-
crease to workers would be \$5,-
000,000. ILWU representatives
rejected the offer and have not
submitted a wage counter pro-
posal.

HSPA Says Union's Wage Demands Lift Costs Excessively

Hon. Star Bulletin - 8/16/46

Hawaii's sugar industry is seeking
to determine whether a price in-
crease would relieve the industry's
financial problems, H. A. Walker,
industry spokesman, said today.

The industry's financial position
was precarious even before the re-
cent offer of a \$5,000,000 wage in-
crease, he said, and is much more
serious as a result of that offer. The
union has rejected the offer as "not
enough."

Mr. Walker described as "far
from certain" the idea held in
some quarters that an increase
in the OPA price would mean an
increase in revenue for the indus-
try. He pointed out that to bring
about such an increase in revenue,
the price of sugar would have
to be increased by more than 60
cents.

Mr. Walker undertook to explain
the present situation thus:

"The entire American sugar in-
dustry is receiving aid from the
government in the form of a sub-
sidy by the federal Commodity
Credit Corp. This aid is necessary
because the sugar industry can not
operate if it does not receive more
revenue than is provided by the
OPA ceiling price.

"Under the agreement with CCC,
if the ceiling price is increased dur-
ing the year, the subsidy will be
reduced by the same amount.

"The present ceiling price is
\$4.205 per 100 pounds. The subsidy
is approximately 60 cents additional.

"Therefore, out of any further
increase in the price of sugar this
year, the CCC would reduce its
subsidy by the first 60 cents per
100 pounds. As a result a price
increase of 60 cents would mean
no increased revenue for the in-
dustry.

"In order to meet the wage in-

crease recently offered the union
with increased revenue from higher
sugar prices, the industry would
actually have to receive 30 cents
more per 100 pounds than it does at
present from ceiling prices and the
subsidy combined," Mr. Walker con-
tinued.

"This would require an increase
of at least 90 cents in the ceiling
price—60 cents to the CCC and 30
cents to the plantations.

"It should not be assumed,
therefore, that an increase as such
in the sugar price will mean in-
creased revenue for the sugar in-
dustry.

"The union has demanded wage
and other increases totaling more
than \$21,000,000. To meet this would
require an increase of at least \$25
per ton, or 30 per cent, in the pres-
ent price of sugar. This would mean
an additional load of approximately
\$200,000,000 a year on the nation's
sugar consumers.

"But even if such a price increase
were granted, and wages were ad-
vanced accordingly, the industry
would still face the grave problem
of future competition in a free
world market.

"In that situation the Hawaiian
sugar industry could not survive."

Governor Tells Pineapple Union He's Staunch Backer of Labor

Hon. Star Bulletin - 8/16/46

Governor Stainback, addressing a
CIO pineapple workers' gathering
Thursday evening, gave his unquali-
fied indorsement of organized labor
and its determination to better the
status of the working class.

"I am for labor, I am for or-
ganized labor, because we've got
to stick together," he said. "A
united front is the only way la-
bor can deal with management."

The governor made his talk at the
first anniversary luau and dance
sponsored by Pineapple & Cannery
Workers' union, local 152 of the
International Longshoremen's &
Warehousemen's union (CIO).

About 450 union members and
their guests—representatives of the
three pineapple companies and the
Hawaii Employers—heard the chief
executive speak.

Earlier J. R. Robertson, first vice
president of the ILWU, from San
Francisco, guest of honor of the
evening, assured the governor of
the desire of the union members to
accept their full responsibility as
citizens in working for the best in-
terests of the territory.

The governor said that "unless
you have a prosperous working
class, you can not have a prosperous
country."

He said prosperity must be
built on a "firm foundation from
the bottom" in pointing out that
"you have thousands of workers
where you have only one capi-
talist."

"You've got to have the greatest
production on a profitable basis to
pay honest, living wages. You can't
have bankrupt industries and good
wages." He concluded by wishing
the union the "greatest prosperity
because I know that will mean pros-
perity of the territory."

Mr. Robertson assured manage-
ment that "our union will always
work towards bettering the living
standards of the people that we
represent, but we will always try to
do that without killing the goose
that lays the golden egg."

"All we want is the tail feath-
ers," he added.

He said the union will not jeop-
ardize the position of management.

Citing profits reported by Ha-
waiian Pineapple Co., Mr. Robert-
son said the 10 cent a share reduc-
tion in dividends might be at-
tributed to higher wages won by
the union in negotiations. For an
entire year, the increased wages
would amount to about 20 cents, he
said, adding: "We believe and think
they (the stockholders) can main-
tain themselves on the reduced divi-
dends."

To the union members, he ap-
pealed for greater rank and file
participation and closer coopera-
tion.

"All we need now," he con-
cluded, "is to get 65 cents (an hour) for
sugar workers."

Beckey Kahale, an employee of
the Hawaiian Pineapple Co., was
crowned Pineapple Queen by Rob-
ert Mookini Sr., president of local
152. Charles K. Liu, secretary-
treasurer, was master of ceremonies
for the party, held at Club Golden
Gate, 32 Hobron lane.