

bargaining settlements, we find that 58 percent will receive increases at an annual rate of less than 5 percent.

If we consider wage rates only—the issue before us—we find that the median annual rate of increases to go into effect during the life of major collective bargaining agreements negotiated during 1966 is 3.7 percent. Recently published data (Department of Labor release, February 3, 1967, "Major Collective Bargaining Agreements Negotiated During 1966") make clear *that about 85 percent of the 2.75 million workers covered by these settlements will receive annual increases of less than 5 percent.*

Even in the last quarter of 1966 important agreements were reached that provided annual wage adjustments considerably below the 5 percent level. The three-year contracts negotiated in the electrical equipment industry provide 4 percent first-year wage increases.

For 1966 the most common deferred increases were 3, but less than 3½ percent or 10 but less than 11 cents (for approximately 700,000 workers in the automobile, farm and construction equipment industries).

For 1967 the Bureau of Labor Statistics reports that deferred increases will most commonly average 2 to 2½ percent or 7 to 9 cents per hour. Increases of 2 percent but less than 2½ percent will be effective in 1967,

- for approximately 150,000 aerospace workers;
- for 450,000 workers in basic steel, where increases will range from 6 to 12 cents and average about 7.4 cents.
- For 50,000 aluminum workers, whose increases will range from 8½ to 9 cents; and
- for 50,000 Atlantic and Gulf Coast longshore employees who will receive increases of about 2.2 percent (8 cents an hour).

Increases of about 3 percent will go to approximately 200,000 union employees of General Electric Co. and Westinghouse Electric Corp. and to 50,000 shipbuilding workers whose increases will be from 7 through 10 cents.

For the shopcraft employees of the railroads, however, the 5 percent proposed adjustment will average 15 cents per hour.

Although some increases in agreements entered into or effective in 1967 will exceed 5 percent, particularly for employees in the air line and construction industries, the data in the record make clear that the annual rate of increase in 1967 for all industries and for manufacturing industries will be less than 5 percent.

Real Earnings, Duration and the Cost of Living Clause

During the three-year period from December 1963 through December 1966 the average straight-time hourly earnings of the shopcraft