

IUE SOUGHT COUNCIL ACTION

District 9 Administrator Snodgrass issued a press release condemning the Nogales move and John Haynes, then assistant administrator, appeared before the Phoenix City Council to urge action to protect the jobs and wage rates of Phoenix residents.

Snodgrass and Haynes pointed out that Motorola would be paying Mexicans about as much in a day as it paid U.S. workers in an hour for the same types work. They charged that this would deal a death blow to the Phoenix economy because, "if the initial plants proves successful, then obviously Motorola will either place more of its work into Mexico, or move to slash wage rates in Phoenix."

IUE's attack brought a response, although not a City Council resolution, sought by IUE, condemning Motorola and asking Congress to close the tariff code loophole. What happened was that Motorola finally found its voice and started talking publicly about the planned Nogales operation. At first, in confirming the Nogales plant reports, Motorola stressed the amount of business it does selling products to Latin Americans and also cited plans for expansion in Arizona. It didn't say much about those Mexican wage rates. (Motorola's average annual pay per worker in Nogales comes to around \$1,800). By the time the plant opened in late October, the newspapers were quoting Dr. Lester Hogan, company vice president, to the effect that lower labor costs were the main reason for going to Mexico. He said he hoped the Nogales division would grow as large as Motorola's Phoenix operations. And he issued a warning that this country would lose much of its industry unless wage costs are held down.

In short, he all but confirmed IUE's position.

- In IUE's recent successful organizing campaign at Technitrol, Inc., in Durham, N.C., Field Representative Joe Williams says the workers were told at captive audience meetings that the company came South to find cheap wages and that if the plant went union, management would move even farther south—to Mexico or Puerto Rico.

- With the U.S. federal minimum wage going up 20 cents an hour to \$1.60 this month, clothing manufacturers in El Paso, across the border from Juarez, were reported eying PRONAF. The clothing industry employs some 15,000 persons in the Texas city.

- When Electronic Control Corp., shifted all its assembly operations from Dallas to Matamoros, Company President Ed Kile said he wanted to take advantage of the lower labor costs in the border area. "A fraction of a cent per unit" in production cost savings, he noted with a straight face, "can result in significant overall cost reduction."

Such "businesslike" thinking seems strangely out of tune with recent comments by President Johnson about the need for jobs in U.S. cities. On Nov. 30, 1967, the President called upon U.S. corporations to remember the "forgotten labor force . . . the unenlisted legion" and make an effort to hire and train the 500,000 U.S. hard-core unemployed. On Jan. 24, 1968, the President sent to Congress his proposal for a \$350 million government-business partnership known as Job Opportunities in Business Sector (JOBS), noting that "the special talents of American business can make this program work."

MEXICAN-AMERICANS ARE VICTIMS

Ironically, Mexican-Americans are among the minority groups especially in need of greater job opportunities in this country. Bert Corona, president of the Mexican-American Political Association, has pointed out that the one million of his people living in Los Angeles County have the lowest income of any group there. The California association has passed a resolution opposing the PRONAF exploitation.

Drohan, whose IUE District 12 includes Los Angeles, is particularly aware of this problem. "With the unemployment problem in our cities," he points out, "how are we going to find jobs for the people who need them if industry is siphoning work to the low-wage border area?"

According to reports, many of the large numbers of unemployed in Mexico's border cities and towns are former braceros who once worked seasonally in U.S. agriculture. But this work was cut off by Congressional action, urged by the AFL-CIO, several years ago. Thus, U.S. labor's efforts to solve one problem may have helped to create another.