

2. Wage-price restraints fall unevenly on the population. It is all too easy to single out a union which is asking for a long overdue wage increase. But, very often much larger increases in fees by the service industries and the professions go unnoticed because they are accomplished quietly and without the fanfare associated with collective bargaining. Yet, as most wage earners are acutely aware, such increases bite deeply into the pocketbook of the average American.

3. Wage restraints are burdensome upon the wage earner without an equal burden being placed upon profits. If such restraints are necessary, then the man who works for wages and the man who collects the profits should share such a burden equally. This is especially pertinent in those industries with higher than average productivity, but with relatively rigid price structures. History has shown that in these instances there has been developed a growing disparity between the income of workers measured in wage payments and the income of managers and owners measured in dividends, profits, bonuses, and so forth.

But, short of a declared war emergency and short of a fair and equitable sharing of the burden, we feel that we should pursue the interests of our members through the medium of free collective bargaining. This method has served us and the Nation well in the past. We would be ill advised to deviate from it now without an overwhelming reason to do so.

GOVERNMENTAL FISCAL POLICY

If one examines the dilemma facing the country today in the economic area, one fact is obvious—the fiscal policy of the Government is the major engine of inflation. The needs of national defense, especially the conflict in Vietnam, are the major causes of the distortion in our fiscal framework.

Therefore, it is incumbent on the administration to cut its fiscal cloth to match available resources. In short, we have come to a time for priorities, for choosing those programs of greatest significance and postponing those of lesser value.

To some this would mean a retrenchment in many of the programs of the Great Society—the war on poverty, the Federal aid to education program, and so forth.

We reject this as false economics because we believe that such efforts will return much to our Nation and, in fact, are vital to the continued viability of our social, political, and economic institutions. Indeed, if the unfortunate struggle in Vietnam has taught us any lesson at all, it has taught us the importance of a population dedicated to a system of government as basic to their own individual welfare. If this is lacking, if our ghetto residents, or our rural poor, look to other systems for a hope in life, our national well-being is in serious jeopardy.

On the other hand, there are programs which can be curtailed or postponed without undue damage to the economy. I refer especially to the civilian nuclear power program, which consumes hundreds of millions of dollars each year. Much of the work being done in this program can be postponed or even canceled.

We are sure that there are other similar areas throughout the Federal budget. We hope that the Members of Congress will diligently seek them out and prune wherever possible.