

## EDITORIAL.—

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this year will leave the "frozen" ones as deeply embedded as ever in their block of ice.

The union has brought the critical situation of the "frozen" employees to the attention of the Administration repeatedly and was in hopes that something might be done for them. However, four raises of one kind or another have been made and they are still out in the cold.

It is not only with the "frozen" workers that we are concerned. The rank and file of "silver" employees are undergoing acute economic distress because of their low wage scales and soaring living costs. Although the press has been ballyhooing the fact that the cost-of-living has been declining, it reserved its smallest type for the news that the index of living costs resumed its upward trend when it rose 5% in March over February.

Although wages rose by 57% from 1940 to February, 1949, the cost of living increased by 69.5%. This means that the average "silver" worker is earning \$3.42 per month less today in purchasing power than he was in 1940. And, certainly, the level of wages in 1940 was nothing to shout about!

When the Union requests a general wage increase, two reasons are usually given for not granting one — (1). There isn't enough money, and (2). Wages of the non-citizen employees should not get out of line with the Caribbean Wage scale.

It becomes somewhat difficult to accept the objection of "no money" when a careful study of the budget recommendations of the Panama Canal submitted to the House Appropriations Committee this year shows that apparently no request was made for funds to give a general wage increase to the "silver" employees. It is recognized that the budget requests must first be approved by the Bureau of the Budget before it is submitted to Congress.

This contrasts starkly with the budget request of the Panama Canal made last year. At that time a definite request was made for funds to grant a basic wage increase. General Mehafeffey made the following statement to the House Appropriations Committee last year:

"I feel that this increase is necessary for our so-called silver employees. As I think you mentioned a moment ago, the average pay of the silver employees is very low. It is in the neighborhood of \$70 per month. The increases in their pay since before the war have been relatively small. The cost of living, of course, has gone up tremendously, and I feel, from a very careful examination of this problem, that it is extremely difficult for our silver employees to live on the pay which they are now getting and that some modest increase is necessary to prevent actual suffering."

The words of General Mehafeffey, despite the 4¢ increase granted last year, apply just as strongly today.

The Union has long opposed the "local-rate" or "Caribbean wage scale" policy adopted by the administration with respect to rates of pay for "silver" employees. The fact that workers in other countries may have the same or lower living standards than we do is small comfort to us. The application of this principle means that our living standards are forever chained to the fortunes or misfortunes of workers in neighboring countries. Suppose that as a result of a depression in these countries or through the failure to organize, these workers are reduced in pay. Does that mean that the "silver" employees are also to have their wages cut because of conditions over which they have no control?

We live and work in an American military reservation, we buy American products in American commissaries, at American prices, we live in American constructed houses, we pay rent to the American government, we are educated in American schools, we work for the American government. Why is it, then, that we must be bedevilled by a Caribbean wage scale?

This archaic, obsolete theory must yield to democratic principles and practical logic. The pay-

## RICHARDSON CALLS FOR DECENT RETIREMENT BEFORE CONGRESS

Following is the testimony given by Thomas Richardson, UPW Anti-Discrimination Chairman on May 6th before the House Civil Service Committee in favor of scrapping the obsolete Disability Relief System and including the "silver" employees under the Civil Service Retirement Act

My name is Thomas Richardson and I represent the United Public Workers of America-CIO. I want to indicate at the outset our support for H. R. 2445. However, we would like to point out to the Committee on the Panama Canal Zone who are not covered by this Bill. These employees were formerly known as the "Silver" employees. As a group, they are comprised of Panamanians, West Indian Negroes, and citizens of the various Latin American countries. It was this group of employees that supplied the laboring force during the rigorous days of construction of the Panama Canal. Many of them braved yellow fever, malaria, and rock slides in order to help the United States construct one of the great wonders of the modern world. The so-called "Silver" workers are now employed on the Panama Canal Zone in practically every occupation that can be found here in the United States. Their efficiency and loyalty to their employer, the United States Government, have been attested to by several Governors of the Panama Canal Zone. They have been a force for efficiency and good in the construction, operation, and maintenance of the Panama Canal.

### Untold Misery on \$25 Monthly

When a "Silver" worker is no longer able to work because of old age or disability, he is paid disability relief under the Act of July 8, 1937. At present, this disability relief can amount to no more than \$25 per month. Congress should know that the living costs on the Panama Canal Zone are only slightly less than they are here. In addition, the retired "Silver" worker is often forced to leave the Panama Canal Zone and live in the Republic of Panama, where the cost of living is much higher. Untold misery has been the result of such inadequate provisions for retiring "Silver" workers. Such conditions certainly do not enhance the prestige of the United States in that section of the world.

In the first place, the Cash Relief Act was passed in 1937 when the \$1.00 per month figure was originally established. Since that time the cost of living has risen by at least 75%. Thus, the disabled employee is actually worse off today than he was in 1937 when the program first went into effect.

### Retirement Instead of Charity

The whole concept of "relief" for a retired employee is wrong. After an employee has spent thirty or forty years in the service of the United States Government, he has every right to expect a decent and honorably retirement instead of the charity concept

of principle of social security and of relief. The cash relief program is founded and administered on the basis that the Panama Canal should have pity on those who have grown infirm in its service and give them a pittance to ease the burden of old age and poverty. This policy is contradictory to the retirement which the Congress of the United States has established nationally. It is the obligation, we contend, of the United States Government to provide the employees with a liveable retirement for old age security just as it does with all its other employees.

Another serious objection of the Cash Disability System arises from the plight of those employees who are terminated before they are actually disabled by old age. If an aged employee is reduced in force or terminated for some other reason before becoming disabled he is ineligible for relief. Since only those employees who are found to be unfit for further duty can be placed on cash relief, a number of workers after putting in fifteen, twenty, or even thirty years of service are thrown out without any protection or relief whatsoever. Because of the employment situation in the Canal Zone, these cast-off workers become destitute with no one to turn to for income or support. This unfortunate situation results directly from the Cash Disability System and can be corrected by including the employee under the Civil Service Retirement Act.

### Army and Navy With Not Canal?

Although the Panama Canal clings to the outmoded Cash Disability System, the Army, Navy, and Air Force, who employ 8,000 native workers, give these employees full protection and security under the Civil Service Retirement Act. It seems strange indeed that different departments of the United States Government take such contradictory positions on an important question of employment. What makes the matter more confusing is that there is considerable shifting among the employees of the Panama Canal and the employees of the Armed Forces. The transfer of an employee from agency to agency unnecessarily complicates administrative matters because of the conflict of the cash disability program on the one hand and the retirement system on the other.

### Cases of Suffering

I am including in my testimony some examples of the kind of misery suffered by the "Silver" workers under the present disability relief system:

SOLOMON RAMSEY, DR 730. Worked on the docks from 1911; retired in 1936 at age

56 after hospitalized 3 months for injury sustained on job.

Receive \$25 per month; living in Cativa, R.P. paying \$10 month rent; wife does laundering earning about \$2.50 per week. No children. "Sometime I don't eat."

FITZ A. DAVIS, DR 3292. Retired in April 1947 at age 62. Forty years employment with Canal with 31 years in Marine Div. Lost sight and had to be retired. Receive \$25 per month. Lives in Colon with wife and three children (ages 19, 16, 15). Oldest child sick and unable to work; other two attend school. Rent is \$15; wife does laundering averaging \$10 to \$15 per month.

PRINCE W. FORDE, DR 3441. Retired August 1947. Started in Canal 1906; worked on docks, MED and 18 years in Dredging Div. Receives \$20. Lives alone in Colon and pays \$2 rent. Daughter does his laundry and feeds him. Son can not help.

CHIEFTON CONSTANTINE, DR 3658. Retired Oct. 1948 at age 68; gets \$25. Lives with wife and grandson age 6; wife is a domestic working 2 days per week earning \$4.00 weekly. Lives in Colon and pays \$12 for one room. Worker 25 years in Building Division as roofer.

JOSEPH B. SWEENLY, DR 765. Retired in 1947 at \$14; protested and had grant raised to \$19. Claims he worked on docks from 1917 to 1944 and prior to that time on Gatun locks. Lives in Porto Escondido (land lease from CZ for which pays \$5 per year.) Lives with wife. Has truck garden which supplies some food for family and little for sale. No children.

WALTER HOYTE, DR 322; received \$20 until 1946 when grant was raised to \$25. Retired in Dec. 1947. Worker on Docks from 1906 to 1937 as sub-foreman. Retired at age 57. Has no use of right arm. Lives with wife and daughter who has 2 children. Wife is ill. Father of children supports them but not regularly. Lives in Colon, one room, \$9 month. Has 6 other children who are unable to assist him.

JOHN H. THOMAS, DR 3634; retired in June 1948 at \$25 age 66. Worked 39 years for Bldg. Div. Rents in Colon at \$13 mo. Lives with wife and 2 step-daughters. The latter work and pay for food, ice, electric, etc. but no rent. Wife now hospitalized.

JAMES GRIFFITH, DR 634 at \$25 in 1945. Now 73 years of age. Worked 38 years for Traffic Dept. of PRR as flagman. Received eye injury on job in 1916. Lives in Colon with friend and shares rent of \$3.

Gentlemen, such human suffering comes as a direct result of our country's failure to provide adequately for the retirement benefits for all of our employees on the Panama Canal Zone based upon their record of service to the United States Government.

This Committee should know that such conditions have been

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ment of sub-standard wages to workers of the American government is a blemish on American democracy. That blemish can be removed by paying decent, liveable wages, and eliminating the suffering among the "silver" employees. Now is a good time to start. And for a good start we urge a substantial basic wage increase to be granted this year.