



**HEROES
TODAY**



**TRAMPS
TOMORROW?**



On October 8, 1942, the President of the United States pinned the first Merchant Marine Distinguished Service Medal on the breast of Edwin F. Cheney, Jr., a member of the National Maritime Union.

This is what the President said:

“For heroism above and beyond the call of duty during enemy attack when he released and launched a life-raft from a sinking and burning ship and maneuvered it through a pool of burning oil to clear water by swimming underwater, coming up only to breathe. Although he had incurred severe burns about the face and arms in this action, he then guided four of his shipmates to

the raft and swam to and rescued two others who were injured and unable to help themselves.

"His extraordinary courage and disregard of his own safety in thus rescuing his shipmates will be an enduring inspiration to seamen of the United States Merchant Marine everywhere."

Exactly one year later, on October 7, 1943, the Subcommittee on War Mobilization of the United States Senate issued a report on the Mobilization of Shipping Resources. The Senate Committee had made an exhaustive study of the maritime industry. They found that there were thousands of other seamen, like Cheney, who were distinguishing themselves "above and beyond the call of duty" in the service of their country.

This is what the Senate Committee reported on the job being done by the men who are delivering the goods to the battlefronts all over the world.

"The men who man our ships are doing a magnificent job.



The crews are efficient and their morale is high. Adequate numbers of seamen have volunteered or have been recruited so that ships sail fully manned and with only negligible delays. . . . "There have been no strikes. Discipline has been excellent in spite of difficult living and working conditions imposed by wartime operations. . . . American seamen have delivered the goods. . . . The important maritime unions have supported the war vigorously. They have recruited men, operated training schools, maintained discipline at sea, and without exception lived up to their no-strike pledge. . . . American seamen are heroes. Thousands have died under bombardment and torpedo attack. They and their organizations, particularly the National Maritime Union, have acquitted themselves with honor. The appreciation of the American people is theirs."

Medals, citations, "the appreciation of the American people"—all these are fine. The seamen have rightfully earned these things and they are grateful that their heroic deeds are not going unnoticed in high government circles.

But you can't eat medals or words of praise. And unless seamen are given the same rights and privileges as other American workers, there is a danger that Edwin F. Cheney and his



shipmates will one day be walking the streets in rags while their wives and children starve.

How is that possible? The answer is simple. *There is no unemployment insurance for seamen.*

If the war ended tomorrow, thousands of American workers might lose their jobs. Most of them would be hard up, but they wouldn't go hungry. Why not? Because under the Social Security Act of 1935 they are insured against unemployment. They can draw unemployment compensation.

All of them—except the seamen. The men who Keep 'Em Sailing are not covered by the Social Security Act. They are specifically excluded. For these "heroes" there is no unemployment insurance.



The Social Security Board, in its report to the President in September, 1938, three years after the passage of the Social Security Act, recommended an unemployment insurance system for seamen. The Board advised the President that the only reason why merchant seamen were excluded from the Act originally was "because of the administrative difficulties of covering foreign crews on American vessels engaged in foreign trade."

There is no doubt that there were such "administrative difficulties." But that was not a good reason for depriving American seamen of the protection given other American workers.

There are "administrative difficulties" in running the United States. Yet that doesn't mean that the President and Congress throw up their hands and say "it can't be done." They find the way to overcome those difficulties.

There are "administrative difficulties" in running the American Telephone and Telegraph Company, or General Motors, or the National Maritime Union. But the heads of these organizations do not solve the problem by running away from it. They work on the problem until they arrive at a solution. Where there's a will, there's a way.

As a matter of fact, many of the "administrative difficulties" that did exist in 1935 when the Social Security Act was passed, no longer exist. They have disappeared because today there are stable, nationwide trade unions in the maritime industry with a well-disciplined membership. Even more important, these trade unions maintain union hiring halls in every port in the country—hiring halls which can be used as centers for "reemployment registration" under a Federal system of unemployment insurance.

In any case, the Social Security Board, which would have the responsibility of administering unemployment insurance for seamen, thinks a system can be set up. That's what it told the President in 1938.

And every year thereafter, Congressmen familiar with the maritime industry and rightfully aroused at the injustice done to seamen, have introduced bills which would give seamen the unemployment insurance they are entitled to.

On April 8, 1938 Congressman Havenner introduced such a bill (H. R. 10205). No action was taken by Congress.

In May, 1939, Congressman Sirovich introduced H. R. 6534. It died in committee.

On May 17, 1940, Congressman Schuyler Otis Bland, Chairman of the House Merchant Marine and Fisheries Committee introduced H. R. 9798, a bill "to establish a system of unemployment insurance for the maritime industry." Hearings were held before the Committee and both maritime unions and shipowners were represented. Union representatives spoke for, the ship-



owners against the proposal. When the 76th Congress expired on December 3, 1940, no action had been taken on H. R. 9798.

In July 1940, Congressman Bland introduced another bill, H. R. 5446. More hearings. Still no action.

In June 1943, still more hearings. Still no action.

That's a brief history of the attempts to win for seamen the protection afforded other American workers. Eight long years of struggle with no success.

It's easy to understand why the maritime unions fight for unemployment insurance. But why do the shipowners fight against it?

The basis for shipowner opposition as expressed in the Congressional hearings has been that the industry could not support a payroll tax of 3% which was considered necessary to establish an adequate fund to guarantee unemployment insurance to merchant seamen. A 3% payroll tax, the shipowners argued, would be an extraordinary financial outlay that would burden the industry unduly.

Is there anything in that argument? Let's look at the facts.

Of the total operating expense of a voyage, the amount that goes into meeting the payroll is about 10%. That was the testimony, not of the unions, but of Edward N. Hurley, formerly Chairman of the U. S. Shipping Board. He was in a position to know. That figure for labor cost is contained in Mr. Hurley's book "The New Merchant Marine."

What does 10% of the total operating expense mean in dollars and cents? Let's take a concrete illustration. Suppose all the expenses of a voyage amount to \$100,000. The amount paid

to the crew would be 10% of that \$100,000 or \$10,000. That's the payroll.

The 3% payroll tax in this case would be \$300. This is the extent of "the extraordinary financial outlay which would unduly burden the industry." \$300—this is the premium on a \$100,000 voyage which, it is argued, would break the shipowners!

Obviously, that argument won't stand up. It was a fake in 1940 when the shipowners first made it, and it's an even greater fake today when the shipowners are making more money than ever before.

We don't have to guess about the size of their profits today. We *know* from the story told by the House Merchant Marine and Fisheries Committee, in March 1943. The Committee had looked into the facts and figures of 90 trips made by 81 vessels to the Red Sea in the spring and summer of 1941. The shipping companies, the House Committee revealed, had collected a total of \$31,364,880 in charter hire, of which \$26,874,176, or about 85%, was profits.

By setting off the wages paid against the profits received, in two cases, we get an even better idea of what happened.

1. AMERICAN EXPORT LINES

Wages and all other expenses.....	\$ 152,768
Profits	\$1,572,144

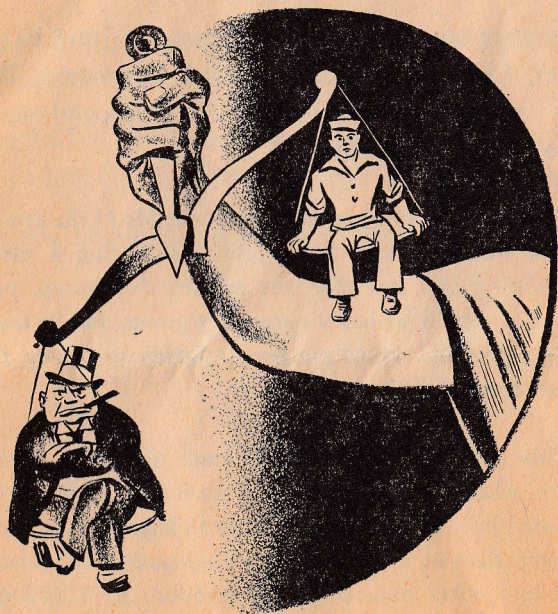
2. WATERMAN STEAMSHIP CORP.

Wages and all other expenses.....	\$ 271,794
Profits	\$3,733,193

It is interesting to note the defense of these exorbitant profits offered by the General Counsel for the American Merchant Marine

Institute. He told the House Committee that the shipping industry is obliged by its very nature to "take on fat" when prices are high.

In other words, it's essential for the shipping companies to protect themselves in the good years of employment against the lean years when their ships might be unemployed.



But that is the very principle for which the seamen are fighting. That is exactly what unemployment insurance means. The seamen argue that when wages are high and unemployment low, an unemployment insurance fund should be in operation to "take on fat" for the lean days when wages are low and unemployment high.

The shipowners, however, think it is O.K. to have unemployment insurance only for ships and shipping companies—not for the men who sail the ships.

The seamen think otherwise. They see no reason why they must continue to be treated like second class citizens. They see no reason why protection accorded to other American workers—and to shipowners—should not be extended to them, immediately.

And they are not alone in that opinion. In June 1943, Murray W. Latimer, Chairman of the Railroad Retirement Board, and one of the country's leading authorities on unemployment insurance, told a House Committee:

"No group of men in this country, outside of the armed forces—and even that exception is doubtful—is bearing a more difficult burden during this war than the seamen. No group, perhaps, has expanded as rapidly as has the seamen's group, and in the inevitable post-war shifts and economic readjustments no group is likely to suffer more severely than the seamen.

"This is certainly a favorable time to act on unemployment insurance, when there is a relatively small volume of unemployment in the maritime industry, as in other industries. The pay rolls are far greater than at any other time in history. The machinery for putting into effect both the administration of collections and the making of such payments as may be necessary is readily at hand, and there is no opportunity like the present for going ahead with some system of insurance . . . it seems clear that the Federal Government is the governmental unit to take action. And that action ought to be taken quickly."

The failure of Congress to enact without delay an unemployment insurance system for seamen is a scandal without precedent.

Seamen to whom medals and citations are given today can and must be spared the humiliation and privation to which they and their wives and children will be exposed in the post war period. Unless a little of the "fat" that is now being taken on by the shipowners is set aside for an unemployment insurance reserve fund for seamen, breadlines and public relief will be the unfortunate lot of these heroes who have suffered greater casualties proportionately, than all the armed services put together.

We appeal to the American people to urge common justice for American seamen.

We appeal to the American people to see to it that these brave anti-Fascist fighters shall no longer be discriminated against.

We appeal to American labor to make our cause its own.



What You Can Do To Help

1. Write to President Roosevelt, the White House, Washington, D. C. Urge him to speed up passage of Federal unemployment insurance legislation for American merchant seamen.
2. Write to Senator Josiah W. Bailey, Chairman, Senate Commerce Committee. Urge him to get behind Federal unemployment insurance legislation for merchant seamen. His address is Senate Office Building, Washington, D. C.
3. Write to Congressman Schuyler Otis Bland, Chairman of the House Committee on Merchant Marine and Fisheries, and author of most bills sponsoring Federal unemployment insurance for seamen. Address him at the House Office Building, Washington, D. C., and urge him

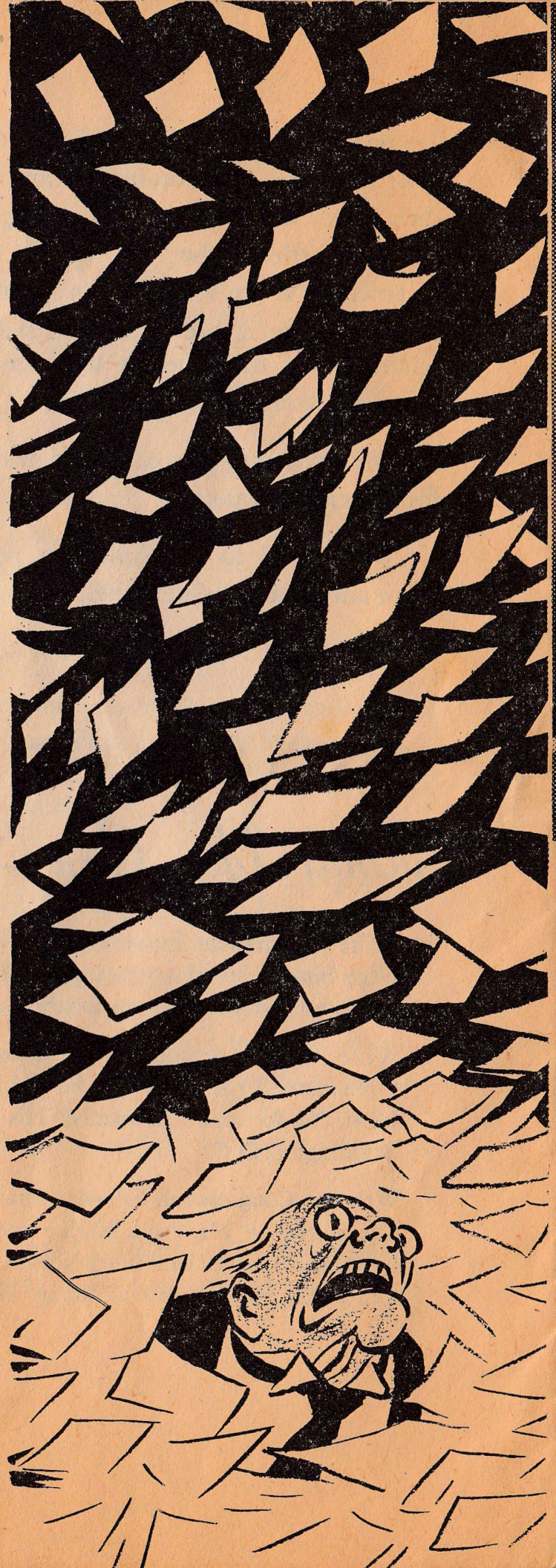
to report favorably "Committee Print No. 1, Unemployment Insurance for Seamen."

4. Write to the other members of the House Committee on Merchant Marine and Fisheries, House Office Building, Washington, D. C. Demand favorable action on Committee Print No. 1. Here are their names:

HOUSE COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

SCHUYLER OTIS BLAND, Virginia, *Chr.*
ROBERT RAMSPECK, Georgia
JOSEPH J. MANSFIELD, Texas
EDWARD J. HART, New Jersey
JAMES A. O'LEARY, New York
FRANK W. BOYKIN, Alabama
J. HARDIN PETERSON, Florida
HERBERT C. BONNER, North Carolina
JAMES DOMENGEAUX, Louisiana
HENRY M. JACKSON, Washington
LOUIS J. CAPPOZZOLI, New York
CECIL R. KING, California
RICHARD J. WELCH, California
FRANCIS D. CULKIN, New York
JOSEPH J. O'BRIEN, New York
FRED BRADLEY, Michigan
JAMES E. VAN ZANDT, Pennsylvania
GORDON CANFIELD, New Jersey
LAWRENCE H. SMITH, Wisconsin
DANIEL ELLISON, Maryland
ALVIN F. WEICHEL, Ohio
ANTHONY J. DIMOND, Alaska
J. R. FARRINGTON, Hawaii

5. Forward to Congressman Bland and committee members copies of resolutions previously adopted by your trade union and other organizations in support of unemployment insurance legislation for seamen.
6. Urge your Congressmen to support the request of the seamen for immediate and favorable action on Committee Print No. 1.



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