

NATIONAL LABOR RELATIONS ACT

HEARINGS

BEFORE THE

U. S. Congress, House,

SPECIAL COMMITTEE TO INVESTIGATE NATIONAL LABOR RELATIONS BOARD HOUSE OF REPRESENTATIVES

SEVENTY-SIXTH CONGRESS

THIRD SESSION

PURSUANT TO

H. Res. 258

(76th Congress)

A RESOLUTION CREATING A SELECT COMMITTEE
TO INVESTIGATE THE NATIONAL LABOR
RELATIONS BOARD

Volume 22

MAY 2—MAY 3, 1940

Printed for the use of the Special Committee to Investigate
National Labor Relations Board



UNITED STATES
GOVERNMENT PRINTING OFFICE

WASHINGTON : 1940

RECOMMENDATION

In view of the unquestionable evidence of bias and in view of the failure of the respondent to substantiate discharges of incompetence and inefficiency, it is believed that Houck's discharge was occasioned by his great activity in Guild affairs. Therefore, it is recommended that petition for enforcement be filed in the appropriate circuit court.

R. E. G.

EXHIBIT No. 1283

INTRODUCTION

Pursuant to your request, I have attempted to prepare a report on the industrial set-up in the Hawaiian Islands. You must bear in mind that much of this report is prepared from memory and that there may be certain discrepancies in names and places. Also, some of the material herein contained obviously could not be obtained by personal investigation due to the short time that I was in the Territory. I am confident, however, that the facts stated in this report are substantially true and correct, and that most of the information which I have received has come from thoroughly reliable sources. It is my purpose to relate the facts fairly and impartially.

If the reader finds this picture of the Islands too drab, it is well for him to bear in mind that his impression of Hawaii has undoubtedly been gained from sources which are desirous of building up the tourist business—one of the most lucrative in the Islands. One who studies this report should endeavor, also, to judge it in the light of the viewpoint which is held by the individuals who are interested in the Hawaiian sugar industry. These industrialists should not be too severely criticized because of the situation which exists there; rather, one should be amazed that conditions are not worse. Their absolute control and domination of the lives and welfare of virtually every individual in the Islands is such that, had not their actions been somewhat tempered by some regard for the rights of human beings, the picture would be far darker. It is possible, of course, that this restraint in the exercise of their power to the fullest degree may have resulted from their fear that if they went too far public reaction would cause a Congressional investigation.

The Hawaiian industrialist is usually a man with a charming personality; a genial host and a fluent talker. Furthermore, I believe that he conscientiously believes that the system of which he is a part is the only one that can prevail in the Islands, and permit the sugar interests to stay in business. As individuals, these industrialists are fine men; collectively—well! They contribute generously to public charities; perhaps with a desire that they may exercise some control over such charities; they erect grand club houses and furnish athletic equipment, perhaps for the purpose of keeping their employes from thinking too much about their every-day problems; they bestow paternalistic hospitalization, housing, etc., perhaps because they wish such things to be also under their control—but regardless of their motive, they seem to conscientiously believe they are doing these things in the proper way. They have become imbued with the idea that paternalism will answer their industrial difficulties. Even now, they do not realize that they must eventually permit their employes to exercise some choice and control over their own individual lives, permit them to deal and negotiate concerning their wages and hours, allow them to choose their own dwellings, to select their own doctors, to form their own clubs, and to create their own entertainment. While the industrialists of Hawaii will brag about the fact that they have had comparatively few industrial disturbances, they forget that this may be the result of the complete subjugation of the laboring classes and is not due to any real satisfaction of the employes with their working conditions.

It is impossible to understand the labor situation in the Hawaiian Islands unless one knows something about the various types of control exercised by the sugar interests. For that reason I have devoted a considerable portion of my report to that phase of the industrial situation in the Territory.

REPORT ON THE HAWAIIAN SITUATION

Corporate Control.—Virtually every business of any importance is owned or controlled by the so-called "Big Five", that is, American Factors, C. Brewer &

Co., Ltd., Alexander Baldwin, Castle & Cook, Ltd. and T. H. Davies & Co., Ltd. These companies have interlocking directorships. This method of obtaining joint action extends not only to the companies named but also to various subsidiary corporations. To gain a better picture of the corporate set-up of the Hawaiian Islands, please refer to a map which was introduced in our hearing involving Castle & Cook Co., Ltd. Refer also to the testimony of Frank C. Atherton.

Land Control.—Most of the land in the Islands is owned or controlled by the same group which manage the affairs of the "Big Five." The Bishop Trust alone is reputed to own 20% of the most fertile and valuable land in the territory. It refuses to sell the land which it owns. Only short term leases are given to those whom it desires to have such leases. S. H. Kress & Company which operates a large store in Honolulu had to secure ground for a store through a third party. It is the purpose of the "Big Five" to keep out competition. I had reports to the effect that some employers had informed their employees that they would be discharged if they were found in Kress' store.

Bank Control.—There are no independent banks on the Island. All of the banks are controlled by virtually the same people who are interested in the "Big Five". By controlling loans, the officers of the "Big Five" are able to keep semi-independent business men from engaging in activities hostile to their interests. They are also able to know the financial condition of all the inhabitants of the Islands. Persons who do not comply with the wishes of the "Big Five" are refused loans or extensions and are forced out of business.

Transportation Control.—The Matson Navigation Company which is more or less closely connected with the "Big Five" through Castle & Cook, Ltd., has a virtual strangle hold on the Islands. Practically everything that is raised in the Islands is shipped out via Matson. A very large proportion of the materials which are consumed in the Islands are shipped in via Matson. Consequently, there is hardly a person in the territory who does not pay tribute to Matson in either one form or another. The Dollar Steamship Company has some kind of a working agreement with the Matson Company. The Interisland Steamship Navigation Company is a subsidiary of the Matson Company. The rates on this line are very high. It prevents free communication between the Islands and discourages the production of fruits and vegetables on other Islands which might be transported to Honolulu.

All of the transportation facilities are more or less controlled by the "Big Five" interests. By a territorial license law, busses operated by the Traktion Company are not required to pay a license fee. A competitor, Rosenkrantz, is required to pay a very substantial fee for the operation of his busses.

Control of Purchases and Sales.—Practically every item purchased or sold in the Islands is handled by the "Big Five" who act as factors and agents. All of the sugar and pineapples are sold through these companies. Virtually all imports are made through them. Because of their large purchasing power, they are able to get agencies for various mainland products. If some outsider comes into the territory representing an American firm and begins doing a substantial business, efforts are made to secure the agency for that company. Having control of purchases and sales, it is a simple matter to control the transportation of materials.

Hotel Control.—The Royal Hawaiian and Moana Hotels on the Islands of Oahu are the two best hotels on the Islands. They are owned and controlled by the Matson Navigation Company. The Alexander Young Hotel is closely affiliated with the "Big Five". On the Island of Hawaii, Kona Inn is operated by the Interisland Steamship Navigation Company.

If one takes a bus or a taxi from one of the controlled hotels, he pays a further tribute to the same interests.

Telephone Control.—The Mutual Telephone Company is controlled by the same interests which operate the "Big Five". Wireless communications between the various Islands are also under the control of this same company.

Police Control.—The Police Department of the City and County of Honolulu is under the control of the Police Commission, some of whose members are closely identified with the "Big Five". A witness testified during the hearing that Frank E. Thompson, attorney for the Matson Navigation Company, said that he told Chief of Police Gabrielson what to do. The Castle & Cook record is full of instances showing the "Big Five" does in fact control the Police Department and uses it for anti-union purposes.

Legislative Control.—The majority of the members of the Legislature are under the domination of the "Big Five". For instance, the Speaker of the House is the chief counsel for the Sugar Planters Association and also for Alexander

Baldwin. The control of the Legislature is best shown by the acts which it has passed. I am attaching a copy of the anti-picketing bill. There is also an anti-trespassing act which prohibits freedom of access to most of the plantation workers who live on company property.

Executive Control.—While the Governor of the Territory is appointed by the President, he also is subject to the domination of the "Big Five". His appointment is alleged to have been secured by the same Frank E. Thompson. It is generally rumored that Thompson makes the selections for the Governor's appointments. I was informed that when the President visited the Islands, Mr. Thompson's two daughters were escorted by the President's sons. The Governor pays lip service to Congress and the President.

Former Governor Judd who preceded the present Governor was called as a witness in the Castle & Cook hearing. He admitted he was the manager of the Hawaiian Industrial Association. He testified that the books of this company had disappeared a few days before our subpoena was served and that the book-keeper had gone to China. This Association, like similar Associations on the mainland, is engaged in espionage and anti-labor activity. One of its agents, B. F. Johnson, was assigned to watch me.

Judicial Control.—The same Frank E. Thompson is alleged to have secured the appointment of most of those persons in the Island holding judicial positions. He is reputed to have a blackmail system which keeps those men under control. The Federal District Court Judges do not seem to be quite so much under the control of the "Big Five" although their sympathies are contrary to those of the Democratic Party. One of them made a remark to the effect that he could think of nothing better than that Lewis and Green should get into a pistol duel and both of them shoot at the same time. Judge Watson whose courtroom we used for our hearing stated very frankly that he did not like to have his courtroom used for labor hearings. He objected to men appearing without coats or shoes. He apparently did not realize why many of these men did not have proper clothing.

The Prosecuting Attorney who receives \$7,500 per year is also reputed to act as attorney for various insurance companies controlled by the "Big Five". Kelly, the Prosecutor, made a statement to the effect that the National Labor Relations Act was just a joke. It is claimed that he is under the domination of the same Frank E. Thompson. His connection with Thompson and the cooperation of the courts from the lowest to the highest, with Thompson, is well exemplified in the testimony of Burum who appeared as a witness in the Castle & Cook hearing.

I will not attempt to discuss this testimony in detail as the Board's decision will probably cover the matter thoroughly. Burum stated he first contacted Thompson at the suggestion of an army intelligence officer. Thompson later requested him to make reports on all union activities. Burum is acting as manager of a Seamen's Institute which is supported by public contributions. Thompson ordered Burum to arrange a beatup of a union agent by the name of Wisebarth. Burum did not carry out Thompson's plans but was convicted nevertheless because he failed to appear and testify on the advice of an attorney hired by Thompson. Thompson paid Burum's fine and attorney's fee.

The Grand Jury voted three to one to investigate the Burum incident. Judge Stafford who had charge of the Grand Jury, with the help of Assistant Prosecutor Cassidy, prevented the investigation. Stafford was formerly an attorney for the sugar interests and followed union leaders around during a plantation strike making notes for company use. The investigation the Grand Jury had voted would have involved Judge Stafford and the Prosecutor's Office, yet these two people were in charge of the Grand Jury and were able to prevent its investigation. I was tipped off that a number of the Grand Jurors were attempting to find some way whereby I could be appointed special prosecutor. Although the facts disclosed at our hearing would certainly warrant a disbarment investigation of two attorneys, the Attorney General took no steps to make an investigation.

A former Assistant Attorney General, Winn, appeared as counsel for Castle & Cook during our hearings. Just prior to his resignation from the Attorney General's office, he lost a big tax case which meant a great deal of money to the sugar interests. He immediately became a partner of the legal firm representing the Hawaiian Sugar Planters Association.

In another instance the Prosecuting Attorney failed to take any steps to prosecute until the Statute of Limitations had run. This matter involved the Bishop Trust and Walter Dillingham.

The "Big Five" are very much afraid that Congress will assume closer control over the Islands. For that reason they sometimes insist that someone be arrested and convicted irrespective of the merits of the case. A prominent mainland attorney and capitalist was killed by a man during a drunken brawl. One of the jurors in this case held out for acquittal. He was arrested and severely beaten by the Prosecuting Attorney. Other members of the jury intimidated other jurors. The "Big Five" usually had enough persons on any jury to control it.

Because the "Big Five" wanted a conviction in the Massey case the Chief of Detectives drove the suspect's car to the place where Mrs. Massey claimed she was attacked and then had the Police Department take pictures of the tire marks.

Two Federal Judges would make the Supreme Court look like a bunch of youngsters. Both of them are badly paralyzed. Judge Banks on the Supreme Court, a recent appointee, is very old and a buddy of Frank E. Thompson. There are several magistrates who operate in lower district courts. The plantation managers have these men under absolute control and tell them what fines or jail sentences are to be imposed.

Bar Control.—An attorney who takes a case against the interests of the "Big Five" soon learns that he cannot stay in business. Consequently very few of them are willing to jeopardize their business. Even attorneys who have had the audacity to file on the Democratic ticket have been cut off by the "Big Five."

Malihinis (strangers) are not liked. Therefore, one coming from the mainland has a difficult time being admitted to the bar. If Justice Van devanter wished to practice law in Hawaii he would have to give two months' notice of his intention to do so and would then be required to pass an examination.

University Control.—The University is controlled by the same interests. Its President, Crawford, was listed as one of the incorporators of the Hawaiian Industrial Association (maybe he expected labor troubles at the University).

Army and Navy Control.—The testimony during the hearing showed there was very close cooperation between the Army and Navy Intelligence Units and the "Big Five". This, in spite of the fact that if there is any military hazard arising out of the oriental population, it was caused by the activities of the "Big Five". The testimony showed that free passage was given to certain army and navy officers for the purpose of making trips to the west coast to investigate labor leaders and that reports of that investigation were submitted to the representatives of the "Big Five."

Some army and navy officers are extensively entertained and put under obligation to the powers that be. In fairness to those officers, I do not believe that many of them are influenced by such entertainment. However, some of them may be misled by the great show of patriotism by those who owe more allegiance to the Union Jack than to the Stars and Stripes and who have despoiled the Islands and created what military hazard there is, by a desire for cheap alien labor.

To show you the loyalty of those who pose as such loyal friends of the military officials, let me quote the following from the files of one of the plantations: "A campaign is being conducted on the mainland at this time, as you are fully aware, to buy 'at home'. In the Territory every effort is being made to discourage patronizing American concerns like Sears, Roebuck & Co., Montgomery Ward & Co., etc., and right here in Wai'alua, in our own store, we are purchasing an enormous amount of our supplies, even the necessities of life, from alien Japan. Many people, including army folks are continually commenting on this fact."

Another quotation gives further help: "On January 5 of this year (1933), we hired an alien Japanese, Chinsaka Sekiguihi and gave jobs at the same time to his 18 year old son and his 19 year old daughter, with thousands unemployed in the Territory, and with many actually destitute, it looks to me like a mistake to give a job to a girl where there are two men working in the family already."

Bryant H. Wells, retired United States Army General, is now Secretary of the Hawaiian Sugar Planters Association. General Wells appears to be a very kindly old gentleman whose years of discerning have passed. Apparently, to add dignity to certain nefarious practices and to prevent him from telling what he knew about the situation in Hawaii, he was given a job at a very handsome salary. Were his prestige and his silence sold for a mess of pottage?

A very decided effort is now being made to flatter Major Hugh Drum who will return to the States shortly. His picture, or some write-up, appears in nearly every issue of the Honolulu Star Bulletin. I was invited to a party in his honor at the Royal Hawaiian Hotel but did not attend.

An Army Intelligence officer sat in the jury box during most of our hearings at Honolulu. Army officials here in Seattle were checking on me while I was in Hawaii. (So were several steamship lines and one man purporting to be a longshoreman. Cables were sent to various other people requesting information concerning me.) It might be interesting to learn who ordered the army officials to become interested in my activities and to determine what, if any, part General Wells played.

Judging from the testimony produced at the hearing, the sugar interests believe that anyone who engages in union activities is an undesirable person and they very cautiously impart their information to the Army and Navy Intelligence units. If there is any truer picture of Fascism anywhere in the world than in the Hawaiian Islands, then I do not know the definition of it. I hope it is not the belief of a few misguided army officers that one who opposes such a system is acting in an un-American fashion. The close cooperation between the Army and Navy Intelligence units and the "Big Five" was certainly surprising. Surely, a so-called defense arm of the government would not lend its aid to support practices which are wholly un-American. If that is the case, then that branch of the government, and not I, should be spied upon, followed, and investigated.

National Guard.—General Perry M. Smoot, Commander of the National Guard, is very friendly with, if not absolutely under the control of the "Big Five". It is reported his name appeared prominently during a senatorial investigation relating to the sale and distribution of arms and ammunitions. Many of those holding high commands in the National Guard are employees of the "Big Five" or their affiliates.

United States Department of Justice and Richardson's Report.—Seth Richardson's report for the Attorney General, copy of which was included by reference in our Castle and Cook hearing, indicates a great laxity in the enforcement of laws in the territory. I suggest that his report be read in conjunction with the material contained herein. Attention should be called to the fact that his report was prepared a few years ago and that some changes have taken place.

The present District Attorney appears sincere although perhaps lacking in a little courage. One who knows the situation could not blame a man for being a little careful when he has to earn his livelihood in the Territory. One of the Assistant District Attorneys, McLaughlin, who has been in the Islands only a short time, apparently has no fear of the trusts. The other Assistant, Moore, is rumored to have played a part in the framing some time ago of Pablo Manlapit. I believe he is a holdover from previous administrations.

W. P. A. and P. W. A. Control.—It is reported that the pay for relief workers was fixed at 28¢ on the insistence of the "Big Five" in order that the rate of pay would not be raised above the standard in the Islands. During the harvest season such workers have been forced to take plantation jobs at 15¢ per hour in the fields of the Hawaiian Pineapple Company. Some of these workers were forced to work on a private contract job at Port Weaver for a smaller salary, longer hours and no transportation expenses under the leadership of H. A. Mountain who is now employed by Castle and Cook. Ridiculous prices have been paid for the rental of trucks and the purchase of materials. Ten relief workers were employed under John Hamilton to work in the Chamber of Commerce in the preparation of a directory of all businesses in Hawaii. A report on housing was also prepared for the Chamber of Commerce.

Two relief workers have been doing work for the Bureau of Governmental Research. This is a private bureau operated by the "Big Five" for the purpose of studying taxes and similar matters. Two men formerly employed by the W. P. A. now hold important positions in this Bureau. Charges have been made that P. W. A. and W. P. A. workers were used as strike breakers.

Looccy, the present head of the W. P. A., has made considerable improvements but he is also reputed to be under the domination of Frank Thompson. I believe he is trying to do his best and is making definite progress.

Many of those who are under the domination of Thompson are not in that status because of their own choice. The use of frame-ups and blackmail methods are so common that many people get in his clutches involuntarily. A high governmental official, not Looccy, called me into his office and expressed

his appreciation for what we were trying to do. He stated he was holding his job through Thompson, that he had been framed up by Thompson several years ago and had been paying tribute to him ever since. He was personally opposed to everything that was being done but that his lips were sealed. He further stated that he sat outside of Thompson's office and heard Thompson and the then Chief of Detectives and others arranging to frame Manlapit.

To give you an example of Thompson's power, not as an individual but as a mouthpiece and chief conspirator for the system which he serves: Thompson was disbarred several years ago because of conversion of funds from an estate. It is impossible to find this case indexed in the official reports of the Supreme Court.

Incidentally, the "Big Five" through its henchmen, are now endeavoring to secure the appointment of their men to two judicial vacancies in the Islands. (Residential requirements make it impossible to get new blood.)

Walter Dillingham who is one of the wealthiest men in the Islands, purports to be friendly to the New Deal. He acts as a lobbyist for the Island interests. He secures many governmental contracts. His name appears on several Boards of Directors of the "Big Five" and their subsidiaries.

To give you an example of how Dillingham works, I met Mrs. Claude Porter, wife of the Interstate Commerce Commissioner on the boat going to Hawaii. She and one of her daughters happened to be returning on the same boat that I did. While making her table reservations, Mrs. Porter asked the steward whether or not I had made a table reservation. He looked at his card and told her that Walter Dillingham had made a reservation for me. Four days later I received a note asking me to call Mr. Dillingham. I did so and he invited me down to his cabin for the purpose of getting acquainted, as he explained it. When I arrived he told me that he had just learned that I was on board. He gave me to understand that plantations would not tolerate any unions among the Filipinos and gave a long explanation about the problems on the plantations. I believe he was trying to feel me out and find out just where I stood. He also explained to me a system of bonuses which obviously was adopted to prevent men from joining the union. My impression of Dillingham is that he is a very crafty individual. He and his secretary were on their way to Washington, D. C.

Election Control.—The "Big Five" is able through its henchmen to control elections in the Islands. To give you one example, during the last general election, in a race for delegate to Congress, a man by the name of Harold Fujimoto who runs a general store at Wailea, in Hawaii, supported Loy McCandless against Sam King. Because of that support he was not permitted to make deliveries to customers of the Haklau Plantation.

On election day last November, the Republican Party (Big Five) leased a radio station for the day and evening. The announcer kept stating that Landon was piling up substantial leads all over the country. He was deliberately misquoting the returns and making these announcements when the Republican leaders had conceded the election. The purpose of so doing was to influence the local elections, because of the difference in time, the polls in Hawaii had not closed. Their efforts were successful—Maine, Vermont, and Hawaii!

Newspaper Control.—The newspapers are all owned and controlled by the same interests who control the "Big Five". However, due to the fact that the editors of these papers have a high regard for newspaper ethics, the newspapers report the news more or less favorably although local news is frequently killed or played down. The conduct of the newspapers at least at the present time and during our hearing, was the most wholesome thing about the Islands.

However, a reporter by the name of Pat Brown was fired from the Honolulu Advertiser because he reported that Frank C. Atherton, while testifying, stated in effect that the "Big Five" were all one in that they all had interlocking Directors. This was a substantially true report of Atherton's testimony. Atherton called the City Editor and also the News Editor and instructed them to fire Brown. Atherton caused the paper to publish a retraction of the above report on the day following its appearance in the newspapers.

Church Control.—Through the Hawaiian Board of Missions which is financed by the Hawaiian Sugar Planters Association, or in other words, the "Big Five", money is given to Protestant Filipino ministers on the plantations although virtually no one attends their churches. These ministers have access to the houses of employees at all times. They are required to attend all

meetings of Filipinos and to give reports on all activities to the plantation managers. In other words, they act as the chief stool pigeons for the plantations. Filipino interpreters, also employed by the plantations, act in the same capacity.

Some of the ministers located in Honolulu have attempted to preach social justice. Because of their attitude their contributions from individuals high in the "Big Five" have been cut down or entirely eliminated.

Prostitution.—Certain white slave prosecutions have recently taken place in San Francisco arising out of the Hawaiian situation. All of the houses are leased, I am informed, through one central agency. By such centralized control, collections are well systematized. The information that I have is to the effect that the only police officer getting a cut is the Chief. The rest of the profits are divided among the powers that be.

Because of the fact that there are very few Filipino women in the Islands, the proportion being about 10 to 1, the Filipinos are unable to live a normal social life and consequently become a prey for this type of business. The large number of soldiers and sailors in the Islands also furnishes a large part of the dividends derived from this occupation. Many of these places are located in residential sections where there are many children. One of them is located on land adjoining school grounds. They are reputed to be well regulated.

Hawaiian Hospitality.—One of the most treacherous things existing in the Islands is the overabundance of hospitality. For the unsuspecting, it acts as a drug or sleeping potion. Instead of seeing conditions as they actually are, after having imbibed in such hospitality one is apt to visualize a paradise of grand people who will do anything to entertain and to make one's stay enjoyable. So subtly is the work performed that one does not realize what is happening. He is apt to see only what glitters and to think that it is gold clear through. One who has accepted such entertainment can hardly have the heart to do anything that would embarrass a genial host. It is so ingenious that a person becomes infected without knowing that he is contracting a disease. So cleverly is the other man's viewpoint and propaganda instilled into one that in a short time he can conscientiously see things through his rose colored glasses.

Cayetano Ligot was sent to the Islands by the Filipino Government as a Labor Commissioner. He was royally entertained, forgot his mission, became a tool for the sugar interests and accepted pay from the Hawaiian Sugar Planters Association. His wife tried to get into the plantations to sell pictures which is one of the worst rackets used to fleece the poor Filipinos.

The Hawaiian Sugar Planters Association and plantation conditions.—The Hawaiian Sugar Planters Association is a voluntary association of 38 of the 40 sugar plantations in the Territory of Hawaii. It was originally organized under the name of the Planters Labor and Supply Company for the purpose of importing alien labor to work on the plantations. Chinese were first imported in 1852; the Japanese in 1886; South Sea Islanders, 1878; Portuguese, 1878; Germans, 1871; Spaniards, 1903; Filipinos, 1906; Porto Ricans, 1901. Thirty-seven of the forty plantations are controlled by American Factors; C. Brewer & Company, Ltd., Alexander Baldwin; Castle & Cook; and T. H. Davies & Co., Ltd. One-third of the population of the Islands lives on the plantations, seventy per cent of the people are directly dependent on the plantation. The "Big Five", I believe, acts as factors or agents for all the plantations.

In 1933, over 48,000 men were employed on the plantation. Of these, nearly 32,000 were Filipinos and 10,000 Japanese. The Filipinos constitute 61% and the Japanese 21%. Because most of the Filipinos are unmarried they have only 45% of the total population and the Japanese have 41%. Most of the Filipinos purchase their supplies from plantation stores on credit. Field workers are assumed to work 8 or 9 hours per day but are actually away from home 10 or 12 hours. They get up at 3:00 o'clock in the morning and pack their breakfast and lunch. The first whistle blows at 5:00 o'clock warning the workers to be at the railroad crossing. Another whistle blows at 5:30 at which time assignments are made for the day. Workers are then taken to the field by bus or train and begin work at 6:00 o'clock. They eat breakfast shortly before 8:00 o'clock in the morning. Mill workers on some plantations are on a 12 hour basis and others on an 8 hour basis. They start at 6:00 a. m. Some workers have worked as high as 90 hours per week. Some wages have been as low as 9¢ per hour. The base pay for plantation workers is still \$1 per day. Plantation operators claim that the workers get much more. This

is due to the fact that on one or more days per week an employee may work on a short term contract basis or piece work basis. On that particular day he may earn more than the base pay of \$1. Because of the speedup system, a plantation which formerly employed 2,300 men has been able to reduce its employees 1,660 without granting pay increases.

The proportion of male citizen employees on the plantation is 21%. Most of the citizens are not employed in the actual growing of cane. For instance, the heart of the industry is the cutting and loading of cane. On one plantation, only 7 citizens were cutting cane and 52 loading it.

One of the highest paid plantation workers on a plantation which was surveyed were two mill laborers earning \$756 and \$766. This same survey showed that family incomes range from \$243.85 to \$1,597.00 with half of the families earning less than \$627. The difference between the family incomes was due largely to the number of people in the family who were working. The earnings of the husbands in the families having the highest income amounted to only \$494. The long-term payment contracts during the year ranged from \$172 to \$343, an average of \$249.99. When the contract pay is added to the income received monthly by contract workers, their average annual income amounts to \$436. Non-contract workers have an average income of \$508. Long-term contractors generally earn less than non-contract workers. The average annual plantation earnings of all husbands in the 101 families studied was \$474.

The Plantation operators make a great play on paternalistic gratuities which they call pre-requisites. Each plantation workers' family covered by the survey was furnished with a house, running water, kerosene for cooking, and medical and hospital service. The Industrial Accident Board found that the cost of the prerequisite rather than the value to the employee should be considered and fixed the value of the pre-requisites at \$2.75 per week.

73 of the 100 families studied in the survey ended the year with either unpaid bills, loans payable or savings withdrawn. Net figures showed that 42 families spent \$99 less than their income, and 48 spent on the average of \$114 more than their income. In 11 families the income and expenditures balanced. For the 101 families there was an average deficit of \$12.87.

41 of the families reported no savings during the time they were in the territory; 80 reported savings. The average savings for all families during the time they were in the territory was \$169. 34 stated they had sent money to the Philippines; 21 of them to support relatives; and 15 to invest in land; one to make house repairs. Those who sent money to the Philippines for relatives averaged \$66; those investing in land, \$324. 76 families owe amounts ranging from \$2.50 to \$446,—averaging \$104, on debts accumulated since they came to the territory.

A budget prepared by Elizabeth Bergstrom of the Social Service Bureau in Honolulu fixed a budget of \$1017 for white persons and \$830 for oriental families. Of the 101 Filipino families studied, 99 spent less than the amount allowed for personal supplies. 94 families spent less than the budget for fuel, light, operating expense. 78 families lived in quarters more crowded than proposed in the budget. 86 spent less for transportation. 72 spent less on clothing. 70 spent less on gifts and taxes. 45 spent less on food. 23 spent less on recreation. 14 spent less on education. Because of expenditures on items not included in the budget, only 41 families spent a total less than \$213.00 per adult male, the total amount of the budget suggested for oriental families. The Social Service Bureau in Honolulu provides food allowance for families on relief of \$6.85 per week for a family of five, or \$104 per adult male. In addition, bread is issued to the families. 75 of the Filipino families spent less on food than \$104 per adult male, provided by the Social Service Bureau.

4 out of the 15 families own automobiles but had no beds. 6 had no chairs. Only 3 had washing machines. All 15 had electric irons,—all but one had a sewing machine. Of 12 families having sewing machines, 4 did not have chairs. 1 family had no beds. Many of them had large framed photographs on the walls,—pictures usually of relatives or funerals. 49 had attractive victrolas. Most of the living rooms had two wooden benches and a rough wooden table. Only half of the houses have chairs in the living rooms. Less than 1/2 of the families have easy chairs. The walls of the houses are of wide, rough boards. 30% of the homes have no beds. They have sleeping mats rolled up on the floor, piled with bedding. The mats are of straw, about 1/2 of an inch thick. Each accommodates two members of a family. There are no clothes closets

in the homes. 21 of the families had neither beds nor chairs. 29 families had beds but no chairs. 8 families had chairs but no beds. 43 families had both chairs and beds.

It is well to bear in mind that the survey above referred to was made on one of the best plantations in the territory. I am supplementing this report on the plantation situation by a copy of an article prepared by a man who was engaged as a welfare worker on one of the plantations.

These are the conditions which the Hawaiian Sugar Planters Association is determined to keep. It will spare no effort or money to prevent the organization of its employees to obtain better wages and working conditions.

There have been two general Filipino strikes in the Islands. Thirteen Filipinos were killed in the first strike. The Japanese plantation workers also went on a strike which was a very vicious one. Filipino workers were imported to break this strike. By playing the Japanese against the Filipinos a strong racial prejudice has been built up. Let me quote from a confidential report made on one of the dances held at a Plantation Club House.

Saturday evening, the 15th, I attended the dance given by the Continuation School at their Club House. I found the music good, the crowd orderly and the party generally as well conducted as any held in that building.

One feature of the gathering is worthy of note. The girls, Japanese and Portuguese women refused to dance with the Filipino men who were present by virtue of having purchased tickets from some of these very girls and on the few occasions when there were tag dances, there was a noticeable arrangement among the other racial groups where one of their number was on the spot to tag any Filipino the moment he started to dance with one of their girls.

It was not wholesome to see a large group of Filipino men occupying one complete side of the building, throughout the evening, glum and discouraged, and "pondering those things in their hearts", possibly for future action. There have been racial fights at these mixed dances at our Club House during the year, and there will be more in the future unless preventive action is taken. Possibly a City and County policeman should be present at all such affairs.

The Filipinos are ultra-nationalistic and very touchy, and representing 55% of our male personnel, cannot be publicly humiliated with impunity. Any program to unite the races which does not place emphasis on such a large percentage of our population has potential danger.

Here is another gem from a Plantation report, referring to a Christmas Tree Benefit Dance. "This party, given by a church crowd, was attended by too much drunkenness and fighting. The City and County police should be at all such functions."

The Hawaiian Sugar Planters Association brags about what the plantations did during the depression. On one plantation there were, in March, 1931, 1479 Filipinos. By July, 1934, there were 427 less. Referring to this fact, a report to the company reads in part as follows:

Personally, I am not as enthusiastic over the increase in the Japanese personnel in the last three years—102—as I am concerned over the decrease in Filipino personnel during the same period—427—on the ground that I have a suspicion that many of our young citizens of Japanese ancestry are going to leave us as soon as financial conditions improve.

Not a single Filipino has been added to the payroll since March of this year, and only 11 have been taken on since last year. Sixty-eight Filipinos have been dropped this year, and a great many more will leave at the end of the harvest.

Not being very enthusiastic about being able to get our harvesting done by the citizen product of our Territorial Schools, I feel that special attention should be given to the question of adding, and certainly retaining, hard-working Filipinos.

Incidentally, in this connection, I would like to bring to your attention the fact that the plantations are now faced with a very serious situation. The Filipino Repatriation Act provided that Filipinos might be moved back to their native land from the mainland but because of the sugar lobby, an exemption was made as to the Hawaiian Islands. Due to the publicity given in the Islands about our investigation, there is little hope that the plantations can induce many more Filipinos to go to Hawaii under the glowing false promises which were made to them in the past.

There are about 1,000 Filipinos on strike on the Island of Maui at the present time, who demand that they either be given higher wages or be taken back to their native land.

The Japanese who worked on the Plantations more or less as coolie laborers are doing everything possible to educate their children so that they will not have to put up with the same conditions. These parents are making a great sacrifice so that their offspring will not have to live as they have lived. They do not want their children to be plantation coolies. For that reason there is developing an absolute shortage of plantation workers. The Hawaiian Sugar Planters Association is at last realizing that its supply of cheap alien labor is cut off and that the offspring which they counted on so heavily to carry on will not, because of their education and American environment, go on doing the things which their forefathers did. For this reason, efforts have been and are being made to better the conditions of the Japanese colonies so as to attract young Japanese. Large ads advertising the joys of plantation life are appearing in various papers in the Islands. Great efforts are being made to stir up interest in athletics so as to attract young Japanese citizens to the plantation.

All the paternalism, however, does not seem to be accomplishing the desired results. Only when the plantations finally realize that their workers must be given freedom and independence as well as better wages, can they hope to attract American citizens, even of Oriental descendants.

Judging from what I learned from personal contact and interview with various people in the educational field, most of the young Japanese are loyal to our country and if given an opportunity to live as Americans should, they would not create any dangerous military hazard. There are nearly 150,000 Japanese in the Territory whose total population is 393,000. There are 53,000 Filipinos and 57,000 Whites.

The Hawaiian Sugar Planters Association dictates the labor policy of its members and has a Labor Bureau through which employees are engaged. It maintains a blacklist, has a wide-spread espionage system, headed by a man by the name of MacDuffy who was formerly Chief of Detectives for the Honolulu Police Department but was kicked off because he was too crooked. In this espionage system, the Filipino churches, supported by the Hawaiian Sugar Planters Association, play a key part. It has a Press Bureau known as the Pacific Press Bureau which sends out propaganda and arranges to secure all reports on all organizational activities. The Association arranges for the employment of armed guards and detectives, dictates to various governmental agencies, secures the passage of various anti-labor laws, and is the key to the whole industrial set-up in the Hawaiian Islands.

To give you an idea of some of the tactics employed by the Hawaiian Sugar Planters Association, which outwardly purports to be so interested in protecting its workers from graft, Butler, the former manager of the Association, issued passes to a man by the name of Valentino, one of the H. S. P. A. employees, so that he could go to the Plantations and sell large pictures at a great profit.

The Filipino workers who have signed contracts to work three years are entitled to free transportation back to the Islands. Many of them are refused this transportation, or if they do get it, have to contribute \$25 to the Hawaiian Sugar Planters Association officials in order to get fixed up.

The Association sends out confidential lists which it directs the plantation manager to "read and destroy" to the effect that such and such men have left a given plantation because of union activities—do not employ under any conditions. Every union organizer appeared on a black list. In order to avoid the blacklist many of the employees formerly changed their names. However, one cannot secure work now unless he shows a work record for the three months previous so that there is no advantage in changing names. To give you a further example of the type of control exercised over the plantations by the Association, I call your attention to an exhibit attached hereto which was a letter written on March 24, 1932, by one of the Hawaiian officials in the "Big Five." Because this letter was written confidentially and came from a source which I cannot conscientiously disclose, I have eliminated the heading and signature.

This will acknowledge receipt of your favor of November 23, on the subject of the twelve hour shift in the mill, and urging that with the present unemployment problem Waiialua adopt the eight hour shift in the factory.

This matter has been given very careful consideration by both the Trustees of the Association and the management. Last year a Committee of managers worked on this problem throughout the year and submitted a

report to the Executive Committee meeting where the subject was discussed at considerable length.

There were only a few managers and trustees who felt that it would be advisable to make this change. Practically all the managers reported they had no difficulty in getting workers in the mill and that many of their employees preferred this work to field work. Furthermore, they did not feel with the present low price of sugar that it would be economically possible to make the change. Such a change would entail a considerable large expense on the plantations and at the present time there is hardly a plantation but what is losing money, and consequently it would hardly be fair to the stockholders to cause additional losses when there is ample labor ready and willing to work under the present conditions.

It would be impossible for Waialua to make the changes above. I am much in sympathy with your views, but I am in a small minority and accordingly it is impossible for me to make this change.

Consequently, I do not feel that it would be advisable for you to agitate this matter at the present time as it would do more harm than good.

Kindly treat the above information as confidential.

MAUI PLANTATION STRIKE

Antonio Fagel began organizing the Filipino plantation workers on the Island of Maui early in April, 1937.

For convenience sake, I quote from my letter to you of April 7, 1937, relative to certain efforts to organize the Filipino laborers:

Pablo Manlapit, a Filipino lawyer, led a strike of the Plantation workers in 1924. The strike was very far-reaching. Charges were framed up against Manlapit, and I quote the following from an editorial appearing in the *Hawaii Hochi*.

"Manlapit was sentenced to serve from two or ten years for conspiracy in connection with the Filipino strike. This paper is convinced that he was a victim of an unfortunate miscarriage of justice. Many of the prominent lawyers in Honolulu are firmly convinced that he was convicted on a frame-up charge and railroaded to prison merely to get him out of the way so that the strike could be more easily broken. Many believed that if there was a conspiracy, Manlapit was the victim of it."

Later Manlapit was paroled on the condition that he leave the Territory. He went to California where he met Fagel. Fagel had gone to California in 1917, and had completed his high school course by 1927. Through his acquaintance with Manlapit, he became interested in the Filipino labor situation. When the term of Manlapit's banishment had expired, he and Manlapit came to Hawaii.

On May 8, 1932, a meeting was held in Aala Park, Honolulu, at which thousands of Filipinos welcomed the return of Manlapit. Shortly thereafter, Manlapit, Fagel and E. A. Tack, organized the Filipino Labor Union. On June 19, 1932, at a meeting in the same park, the organization was publicly announced. During the early part of July in that year the three above mentioned persons campaigned in the Island of Oahu. They then went to the Islands of Hawaii, Maui, and Kauai. While on the latter Island, Fagel was arrested for trespassing. In July or August, 1933, he was sentenced to banishment to Honolulu for a period of thirteen months. He appealed and his sentence was then reduced to a banishment of five months. In February, 1934, Fagel returned to Honolulu to spend the period of his banishment.

The three organizers then continued their efforts in and about Honolulu until Tack was arrested for gross cheat. He was accused of taking a five dollar membership fee to the Union on false representations. He was convicted and sentenced. He appeal and the lower Court was reversed on September 14, 1935.

Shortly following Tack's arrest, Manlapit was arrested and convicted of charging more than the ordinary fee and getting a bonus for a Filipino. This was approximately in October, 1935. The Secretary of the Federal Labor Union was the chief witness against him. This same man was also the chief witness against Manlapit in his first conviction and banishment. Manlapit was exiled again after his second conviction, and, I understand, is now head of the labor unions in the Philippine Islands. The Secretary undoubtedly was a stool pigeon of the worst type.

After Tack was arrested the three organizers decided to change their name and disguise their purpose. They adopted the name appearing in the Charge. Very little work was done in this new organization at that time.

Fagel, after Manlapit and Tack became enmeshed in legal difficulties, started working as a bus boy in the Young Hotel. Apparently the word got around that he was the same man who had been connected with the Filipino Union, and he was fired for smoking. As a matter of fact this man has never smoked in his life. After that he secured work with the Hawaiian Pineapple Company. When the pineapple season closed, he worked as an extra bus boy at the Royal Hawaiian Hotel on Waikiki Beach. The Treasurer of his organization, Estevan Cavanda, wrote him requesting that he come over to the Island of Maui, which he did on November 12, 1935, and began again to carry on his organizational activities. He was severely beaten on two occasions, only one of which is described in the Charge. Filipino spies followed him everywhere he went.

I do not believe that Fagel intended to call a strike on the plantations. He planned to create his organization and then attempt to negotiate with the management in order to better the workers' conditions. Either due to the fact that so much resentment had been built up among the laborers over a long period or due to the work of an agent provocator, the men quit spontaneously when one of the company officials, Ward Walkers, refused to talk to them about a wage increase. This occurred about April 20, 1937. The strike spread until at the present time there are about 1,000 to 1,200 workers out of work. Referring to this matter I quote from my letter to you of May 14, 1937:

A strike has been in progress at this plantation since April 20th. The strike affected only the Filipino field workers and factory workers. I consulted with the union and was informed by Mr. Bailey, who was acting as an advisor to the union, that the organization was very weak and that he feared most of the men would go back to work within a short time as their morale was getting low. All Filipino strikes to date have been broken. He felt that the same fate was in store for this strike. He stated that the committee of Filipinos, especially the leader, Fagel, had had no experience with labor organizations, and was very emotional. Mr. Bailey thought that if any kind of a proposition could be worked out which would permit the men to go back to work and let them build up their organization, it should be accepted by the strikers. The Company had refused to meet the union committee, and had taken a position which indicated that it intended to starve the strikers into submission. I contacted the company manager, and his two lawyers, on Monday morning, went over the demands of the union, and secured from the manager the first written proposition that has ever been made by a plantation relative to a Filipino strike. It was far from satisfactory, but I thought it my duty to submit the matter to the union committee without approving or disapproving. A mass meeting was later held by the union and the company's proposition rejected.

The seat of the trouble does not lie in this particular plantation. The Hawaiian Sugar Planters' Association dictates the policies of all the associations. There is, in fact, really just one big sugar trust which controls the whole industrial set-up of the Islands. In my judgment any hearing involving the plantations would serve little purpose unless the entire set-up of the Association was thoroughly gone into. That would be a tremendous task. I refer you to my previous correspondence, particularly my last letter relative to this subject. I am enclosing a charge against the Hawaiian Sugar Planters Association which is self-explanatory and gives you some idea of the ramifications a hearing would have to take.

You have received a copy of the charges, but for convenience sake I am attaching an additional copy. The allegations therein are very interesting, and, to the best of my knowledge, true and correct. The averments in the charge were so broad and comprehensive that they would permit investigation of the entire industrial set-up in the Islands. In my judgment an investigation of the charges should not be attempted by one man but rather by a well-equipped staff. The job is too big to be tackled single-handed and without adequate help. I feel confident that if Congress knew the facts relative to the situation in the Islands it would take some action to assure a more democratic administration there. Untold good can be accomplished if some plan could be worked out whereby a Congressional investigation could be carried on jointly or in conjunction with our hearing

on the present charges. By so doing, many of the things not pertinent to our case could be developed.

Such an investigation, followed by a public hearing and order of the Board, should break the backbone of the entire anti-labor set-up and the anti-democratic policies now existing in the Islands. That accomplished, there would probably be very little desire on the part of the Sugar Trust or its affiliates to violate the provisions of our Act. It will, no doubt, be necessary to keep a representative in the Islands, at least part of the time, to watch them so that they would not step out of line. Perhaps infrequently it might be necessary to hold a minor hearing involving some discrimination.

I am attaching as exhibits copies of two statements referring to the Maui situation, one by William Bailey and one by Edward Berman.

The following press dispatch was received from Manila relative to this matter:

MANILA, MAY 17—(AP)—HAWAII STRIKERS.

A strike involving Filipino laborers on a sugar plantation in Hawaii was called to the attention of the Philippine Government today by a group of Manila labor leaders who requested the Commonwealth to intervene.

Jorge B. Vargas, secretary to President Manuel Quezon, informed the labor delegation that the Commonwealth would not intervene directly. He said if striking Filipino laborers in Hawaii want to submit a bill of particulars to the Commonwealth describing their grievances, he will consider sending it to President Quezon for the president's information or any action Quezon may deem necessary.

Vargas told the delegation that unless Washington officials were first consulted he did not believe it would be proper to send a Philippine labor observer to Hawaii.

Suggesting Filipino labor should have lodged any complaint with the Philippine Resident Commissioner in Washington, Vargas said, "We must presume Filipino laborers on strike in Hawaii will be dealt with fairly and justly. At least we have the right to expect and hope they will be given such treatment.

If we have reasons to believe strikers are being mistreated, then the Commonwealth Government through its authorized representatives, will take a hand, at this time we have no means of knowing what the situation really is."

The labor leaders had intended to call on High Commissioner Paul V. McNutt but he was in Baguio. Those visiting Vargas included Pablo Manlapit, former Filipino labor leader in Hawaii.

I was informed by the company that the workers were getting \$2.50 and \$3.50 per day. I asked one of the employes to bring me in his pay envelope. He did so. This envelope showed that he received \$7.45 cash for a month's work. The items on the envelope read as follows:

\$7.45		3522
	PAY ENVELOPE	
Contract.....		\$21.65
Bonus \$..... L. C.....		\$.....
Days 3 @ 26.....		\$.....
C/LST., \$13.15..... C/5.S.T.....		\$.....
KIHEI St., \$..... Lights.....		\$.....
SUPPLIES \$..... MILK.....		\$ 35
BEEF, \$..... AH FAT.....		\$.....
F. C. H., \$..... OFFICE.....		\$.....
TAXES 35.....		

In view of the filing of the new charges against the Hawaiian Sugar Planters Association and the Hawaiian Commercial and Sugar Company, Ltd., the charges previously filed against Puunene Plantation Company were withdrawn per letter of May 14, 1937, signed by Antonio A. Fagel. A copy of this letter is attached as an exhibit.

I also call your attention to two letters signed by Stanley, Vitousek, Pratt and Winn, dated April 19th, which have been previously forwarded to you relating to the charges against the Puunene plantation.

On May 18, 1937, six Filipino members of the union were arrested for picking up a camp leader who stated he was going back to work. They brought him to the union office, tied him up, and made him sign a statement that he was not going to go back to work. He was not otherwise harmed.

As I stated previously, the union apparently did not intend to call a strike. There was some suspicion that the camp leader mentioned acted as an agent provocator in causing the strike.

On the same day that these six men were arrested, Roy Vitousek, Speaker of the House and Chief Counsel for the Hawaiian Sugar Planters Association, flew to Maui.

On May 20, 1937, four more Filipinos who were members of the union and who were present in the hall were arrested in connection with the incident of the camp leader. Among these four was Antonio Fagel, president of the union.

All ten of these men were then charged with conspiracy to commit unlawful imprisonment. The trial date was set at June 2, 1937. I have not been informed as to the outcome of this trial.

GENERAL LABOR SITUATION

Labor unions had been unable to make any headway in the Hawaiian Islands prior to the time of the Castle and Cooke hearing. Not a single employer had entered into a contract with a labor union. Subsequent to our hearing, above referred to, the first employer, C. Brewer and Company, Ltd., recognized the Hilo Longshoremen's Association as the exclusive bargaining agency for its waterfront employes. Various efforts from time to time have been made to organize workers. These attempts have been defeated by the firing of the leaders and most of those who joined the labor movement. Many of those who participated in labor movements have been unable to obtain regular jobs since then. Those who were too persistent in their efforts for labor found themselves faced with criminal charges and were, in many instances, banished from the Islands.

Laundry employes in the city of Hilo called a strike demanding higher wages. They were receiving 13¢ per hour and settled for 17¢. This is not an unusual situation. Young girls are employed long hours in various textile enterprises at very low wages. Their products then compete with articles made by higher-priced labor on the mainland. Girls are employed long hours in barber shops, stores, bars and cafes at exceedingly low wages. Child labor appears in many industries, especially on the plantations during vacation time. Very small wages are paid to these children compared to the amount of work they do.

Labor as a whole in the Islands presents a very sorry picture. A number of the laborers are more like slaves than free people. I have seen them remove their hats when officers of the "Big Five" pass. They live from hand to mouth. Surrounded by 2,000 miles of water, they have no chance to change their jobs or to get away from their present environment. They speak and mumble in undertones.

Plantation workers get their houses, such as they are, rent free, but the cost of food makes it almost impossible to obtain a sufficient diet to enable them to do hard manual labor. The price of milk runs as high as 21¢ per quart. Most of the plantation workers purchase their food at plantation stores where the prices are very high. Very little food, even ordinary garden vegetables, is raised in the Islands. Because of low wage rates and the high cost of living, the laboring classes are hardly able to maintain an American standard of living. It does not seem reasonable to assume that it is a matter of preference that they eat fisheyes instead of pork, seaweed instead of spinach, or poi and rice instead of bread, butter, salad, potatoes and meat. That labor in the Territory desires to organize and will do so if it feels that it will not be intimidated and discriminated against for so doing, is exemplified by what transpired subsequent to our Castle and Cooke hearing. Men began to flock into the Longshoremen's Union. Organizations began to appear in various other industries—laundries, newspapers, radios, plantations, and electrical businesses. Unless the Board is able to have a representative in the Islands a substantial period of time during each year, these organizational efforts will be futile and the leaders will be discharged.

RECOMMENDATIONS

I recommend that in the very near future an adequate staff be sent to Hawaii to carry on a thorough investigation of the charges now pending against the Hawaiian Sugar Planters Association and the Hawaiian Commercial and Sugar Company, Ltd., and to conduct a public hearing on those charges. I further recommend for the purpose of conducting this investigation that the services of a local investigator who is thoroughly familiar with the set-up be

obtained. I have such an individual in mind. I further recommend that the Board appoint some individual who can receive and investigate charges to remain in the Islands long enough to convince the Sugar Trust that the Board does intend to enforce the National Labor Relations Act. I also recommend that at the earliest opportunity the Board announce that it intends to carry on a complete industrial investigation in the Islands so that the work which has already been done may not be in vain, and that those who are now attempting to organize themselves may not be ruthlessly discharged or otherwise intimidated or coerced. In my judgment such announcement by the Board will have a very beneficial effect and tend to the Sugar Barons from engaging in wholesale anti-union activities in the meantime.

SEC. 4361—CONGREGATING ABOUT PLACE OF BUSINESS UNLAWFUL WHEN—It shall be unlawful for any person or persons, singly or conspiring together to loiter about, beset, patrol, or picket in any manner the place of business or occupation of any person, firm or corporation engaged in any lawful business or occupation, or any street, alley, road highway or other place, in the vicinity where such person, firm or corporation may be lawfully engaged, in his, their or its work, business or occupation for the purpose of inducing or influencing or attempting to induce or influence others not to trade with, buy from, sell to, work for or have business dealings with such person, firm or corporation, so that thereby the lawful business or occupation of such person, firm or corporation will be obstructed, interfered with, injured or damaged, and such person, firm or corporation thereby be induced against his, their or its will, intimidated or threatened, to do something he, they or it may legally refrain from doing, or to refrain from doing something he, they or it may lawfully do.

SEC. 4362—PENALTY—Any person violating any provision of this chapter shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine not to exceed one thousand dollars or by imprisonment for not more than one year or both.

FROM A FORMER PLANTATION WELFARE WORKER

Having spent over 15 years, 1920 to 1935 inclusive, as Director of Welfare on Waialua Plantation, I am at present writing a book on "The Human Side of a Hawaiian Sugar Plantation", placing special emphasis on what I have always considered the basic elements of an industrial service program, viz, fair wages, respectable hours of labor, decent homes with modern improvements, and—coming after these—facilities for recreation.

I am treating the subject as a biographical, sociological study with a two-fold purpose, first, tracing the progress that has been made on some of the plantations, especially on Maui and Oahu, with special emphasis naturally on Waialua; and, second, outlining a constructive program for all the plantations of all the Islands along the lines I have been advocating to Mr. F. C. Atherton and to other officials during the last 7 years of my labor in Waialua.

Since I severed relations with Waialua a few months ago, I have been asked a million questions about the human side of plantation life, and finding colossal ignorance on this vital phase of our agricultural life, I am attempting to discuss questions like the following through the pages of my book:

A. ON LABOR

Do the Hawaiian sugar planters work their men 12 hours a day, 84 (and occasionally 90) hours a week, in their factories? Do they pay these men as low as 9 cents an hour for a 12-hour day? Did they during the Depression comply with the request of the President of the U. S. to cut down hours of labor to give more jobs to the unemployed, or did they hide behind the subterfuge that working 12 hours a day, 84 hours a week, in their factories came under the classification of "agriculture"? Are there any child labor laws in the Territory? At what age are children employed on the plantations? What wages do they receive? Are there some classes of men that work as many as 16 hours a day in the cane fields of this land of the missionaries? Are there any considerable numbers of men earning only \$1.00 a day? Are the published statistics of the H. S. P. A. on this vital topic misleading and erroneous? Even with the paternal perquisites, can a man support a family of 4, or 5, or 6 on \$1.00 a day? Is not the Short Term Contract system in vogue on the plantations killing the men physically? Is not the laborer who has to carry on his back, up a ladder, 15 tons of cane daily for 26 days a month

undermining his health and jeopardizing his future? Is any wage adequate for a man who has to load that much cane, and for a mule driver who has to be on the job up to 16 hours a day at some seasons of the year? Is there much poverty on the plantations? Is the H. S. P. A. an organization in restraint of trade, contrary to the Sherman anti-trust laws? Do the wealthy plantations give as an excuse for not paying adequate wages, for not reducing hours of labor, and for failing to supply better homes the flimsy alibi that as members of the H. S. P. A. they cannot bring about these reforms because of the poorer, or marginal plantations? What are these so-called marginal plantations? Do these show "losses" because of huge salaries to the Lord's Anointed, and profits to the agencies?

Are the Lord's Anointed "worked" into the better positions on the plantations? Is there racial discrimination in the matter of handing out jobs and of making promotions? When hundreds of Filipinos, many of whom had starving families, were refused jobs in 1934 and 1935, did the plantations always find employment not only for Japanese men, but also for their wives and daughters? Are there many American citizens on the payrolls? What percentage of these citizens are actually engaged in agriculture? Is not practically all the field work, cutting and heading, done by imported aliens? If American citizens were offered attractive wages for field work, would they be willing to replace the aliens now doing practically all the "agricultural" work in the cane fields? What is the Turnout Bonus? Would not the laborer rather have an increase in his pay? Does he consider the bonus a subterfuge, benefiting the planters more than the laborers? Did the H. S. P. A. after the 1924 labor strike flood the Territory with thousands of alien importations from the Philippines? Did the policy of the H. S. P. A. glut the labor market of the Territory with attendant suffering among the citizens? Did this importation of large numbers of cheap unassimilable alien laborers retard the realization of the dream of interesting local American citizens in the cane fields as their life work? Has the Filipino Exclusion Act a loophole inserted by the H. S. P. A. to make possible the importation of aliens in future? Are the plantations really appealing to citizens by offering them for field work wages, hours of labor and modern conveniences in their homes commensurate with the salaries paid to the Lord's Anointed in the upper brackets, and with the dividends that are disbursed to stockholders?

B. ON HOUSING

Are laborers allowed any choice in the selection of a house when they are employed on the plantations? Would not the large majority of employees rather receive a higher wage, select his own home, and pay rent for it? Do the planters in many instances compel men to live in disreputable shacks on the flimsy excuse that said hovels are on "leased" land and may not be repaired? Are repairs to the homes of the Lord's Anointed ever denied on this threadbare excuse? Do the laborers have modern toilets in their homes? What percentage of them are still forced to use the ancient outhouses that teem with rats, scorpions, and centipedes, and smell to high heaven, and this, despite regular, extra and stock dividends disbursed to stockholders? Are there showers or bathtubs in the homes of the laborers, or are young American citizens of Alien ancestry, boys and girls out of our high schools, still compelled to use the "public" bathhouse, as their grandfathers before them, with little or no privacy? Are the laborers' camps kept in a sanitary condition, or is rubbish piled in the streets for days at a time for dogs, chickens, mosquitos and children to scatter to the four winds? Do the plantations, especially those on Oahu that are visited by thousands of tourists yearly, spend money on frills as a smoke screen while they deny the laborers decent homes and other essentials?

ON HOSPITALIZATION

What classes of employees are given free medical treatment? Do they appreciate this, or do they consider it paternalism? Do plantations select the most competent doctors, or do they employ those with financial and family backing? Are there cases where managers have replied to complaints about incompetent doctors that there was no remedy because the money of the Lord's Anointed kept them on the job? Is it true that about the only racial group that take advantage of the medical service offered free by the plantations, in districts where there are other doctors, are the Filipinos who go to the clinics to get "bonus time"? Are hospitals in charge all night long of young, irresponsible, \$26.00-a-

month girls, during which time no graduate nurses are on the job? Is it true that there are frequent deaths in plantation hospitals where neither doctors nor trained nurses are in attendance? In the matter of hospitalization and sanitation, do dividends to stockholders come before the welfare of the common laborer?

ON PLANTATION-OWNED STORES

Are deductions for purchases at plantation stores taken from the employee's pay envelope whether he authorizes it according to law or not? Do those who are forced, through lack of money, to purchase from the plantation stores have to pay more for the necessities of life than do the haoles and other fortunates who are able to obtain credit elsewhere? Does it often happen that the plantation store collects at payday every cent a man earns, leaving him absolutely nothing for school lunches for his children, for fresh vegetables, for fish and other necessities not obtainable at their own places?

THE PLANTATION AND THE CHURCHES

Does Waialua Plantation give financial aid to all the religious sects working within its bounds? Are its employees overwhelmingly Roman Catholic and Buddhist? What is the population of Roman Catholics? Of Buddhists? Of Protestants? Is it true that the plantation contributes a mere \$300.00 a year to the Roman Catholic priest, \$300.00 to each of the two Buddhist priests, but \$2,000.00 to a haole Hawaiian Board minister, \$900.00 to a Filipino Hawaiian Board minister, and \$600.00 to a Japanese Hawaiian Board minister, together with houses, water, fuel, medical attention and automobile allowances to the latter two? Is there overlapping in the Protestant work, with resultant inefficiency and financial waste? Is the Hawaiian Board minister completely under the domination of the plantation manager? Does he dare cry out against the evils of the community, as did the prophets, the apostles, the reformers, the Nazarene? Do his sermons emphasize the inseparability of religion and morality? Does he dare take any stand against the abhorrent marriage of Filipino girls under 15 years of age? Does he cry out against prostitution in the community, right in his own neighborhood? Would his salary be continued if he thundered against the practice of of employees' keeping concubines in plantation houses? Has he the Christian fortitude to protest against drunken revelries in high places? Or is he the "ideal type of minister for a plantation because he does not interfere with our morality, allowing us to raise all the hell we want"?

Does this Hawaiian Board haole minister take an active part in Republican precinct club activities, even accepting its presidency? Did he accept a position as Republican Member of the Election Board? Would he under any circumstances have the courage to take an active part in the affairs of the Democratic Party? Why was he refused to be allowed to accept the position as assistant at Central Union Church after the appointment had been made and advertised? Did the manager threaten to discontinue the \$2000.00 yearly allowance to this work if the Hawaiian Board dared to take this man away? Was the manager's motive a burning desire for the moral uplifting of the wayward people of Waialua? Does the Roman Catholic Bishop allow his priest at Waialua to be dominated in any way by the plantation manager? Has he not in both temporal and spiritual things told the management that he will tolerate no interference with his religious work? Do the Buddhist priests welcome interference with the conduct of their religious program? IS NOT THE CONTROL OF THE HAWAIIAN BOARD CHURCH IN WAIALUA, AS ELSEWHERE IN HAWAII, BY THE SUGAR INTERESTS, ONE OF THE MOST PATHETIC TRAGEDIES IN THE ECCLESIASTICAL HISTORY OF THE TERRITORY?

THE PLANTATIONS AND THE SCHOOLS

Are the plantations opposed to free education on the ground that it educates the second generation of the imported aliens away from the cane fields? Do they dare advocate this policy? Do they dictate the policy of the Department of Public Instructions as far as appointments to rural principalships are concerned? Why was Miss Lulu Heen, a brilliant educator, but a Democrat and an Oriental, not allowed to assume the principalship of the Waialua School after her appointment had been made and advertised? Why is another principal who is recognized by the Department as utterly inefficient in every way kept on the job? Is it because the manager maintains that this man is ideal for a plantation, in that his pupils learn nothing and may not be educated away from the cane

fields? Did not the principal of one of the Junior High Schools advise his haole teaching staff to avoid social contacts with the manager and his parasites on the ground that they were "just a lot of drunken bums"? And is not this very principal now eating of the hands of the same manager who has sealed his lips by land deals, by supplying transportation for athletic teams, and by other concessions? Do many of these principals have to supply free lunches to plantation children who are actually destitute?

Do many haoles buy any considerable amount of their supplies from the plantation or do they find it cheaper to use their automobiles to purchase elsewhere? In spite of "statistics" which the plantations hand out from time to time would the haoles pay for gasoline to purchase elsewhere merchandise they could obtain at reasonable prices at the company store? Do managers encourage the policy of giving the laborer all the merchandise his pay envelope will stand on the ground that it is advantageous to keep him "broke"? Is it true that if an employee has the cash to purchase some commodity on the last day of the month he is allowed a 5% discount, whereas the poor Filipino who buys some necessity of life on the same day is allowed no discount, even though the money is deducted from his pay envelope the very next day?

ON PENSIONS

Why have the plantations, with their strong central organization, always refuse to establish a retirement fund to take care of employees who give their all for them? Does the abortive system of pensions now in operation breed dissatisfaction among the Orientals? Under this system do they pay as high as \$500.00 a month to haoles, and as low as \$10.00 a month to Orientals with 30 and 35 years service? In lieu of regular monthly pensions to Orientals with 30 and 35 years service, do the plantations get rid of these poor devils by shipping them to the Orient without adequate provision for their declining years? Are the ones who are receiving pensions paid in cash each month, or are some of them compelled to take part of their allowance in merchandise from the plantation store at retail prices? Are the exceptions to this practice the wealthy ones, or the needy fellows who are receiving mere pittance?

ON SO-CALLED WELFARE

Does the "Welfare" program of the plantations emphasize the fundamentals—fair wages, decent hours of labor, and respectable homes with modern conveniences—or is it a sop to appease "those damned old women of Honolulu who are always butting into other people's business"? What is the program of the plantations? Are the plantations making any real contribution to the Filipino who finds himself unable to support his 5 children on a dollar a day, who is compelled to live in a disreputable shack, who is completely tired out after 12 hours work in a sweatshop, whose pregnant wife has to use outdoor privies at all hours of the night in rainy weather, whose wages do not permit him a respectable burial for his dead, by inviting him to listen to a lecture by a university professor on "The Cultural Side of a Hawaiian Sugar Plantation", or by "requesting his presence" at an inter-racial social affair where a biscuit and a glass of lemonade are served? Are the plantations making a genuine effort to put first things first, or are they doing just enough—in the recreational field—to tickle the managers' vanity and to cater to public opinion in Honolulu and in Washington? What is the very much advertised "Waialua Community Association"? Is it a "family affair"? Does the manager of the plantation bring pressure on the employees to support this organization? Is it a sop to the Lord's Anointed of Honolulu? Is it dominated by the Protestant Church under the direction of the manager? Are the Roman Catholics and Buddhists behind the project, or are they as hostile as they dare to be without running the risk of losing the financial support they receive from the plantation? Are not the principal benefactors of this Association the little band of select ones who need no paternalism, being perfectly able to attend to their own cultural and recreational needs? Is this Waialua Community Association undermining the ideal set up under Messrs. W. W. Goodale and J. B. Thomson, former managers, which developed in Waialua many years ago—without any organization—a community morale without a parallel in the Territory? Is the whole welfare program on the plantations, where fundamentals are neglected, and non-essentials highly advertised, like a man asking for bread and receiving a stone, for a fish and getting a serpent, for an egg and being offered a scorpion?

THE PLANTATION AND POLITICS

Do plantation managers who have to be Republican to hold their jobs bring pressure to bear on their employees to vote the straight Republican ticket? When they learn through stool pigeons that a certain man dares to exercise his American prerogative by talking "Democratic" in his home, do they "lay down the law" to such a one? Despite the fact that the plantations enjoyed one of the best financial years of their history in 1935 under a Democratic President and Congress, paying larger dividends than ever before, are they still "advising" their people to vote the "straight Republican ticket" as a return of a Democratic administration means "ruination for Hawaiian Sugar Plantations"? Are all the higher-ups, forced to sign the Republican roll? Does the District magistrate of the plantation center receive his orders from the manager? Does the district magistrate in each plantation center work only for one day a week? Why are the managers opposed to the appointment of one magistrate for the whole Island of Oahu with the great saving involved? Is it because of "control"?

Report of personnel and industrial service for June, 1935

MALE PERSONNEL

Racial Group	Added	Dropped	Total	Cits.	Waialua Born	Wives Here
Filipinos	1	15	946(57%)	5	4	129
Japanese	4	0	467(28%)	230	188	236
Portuguese	2	0	107(06%)	91	47	60
Anglo-Saxon	1	0	39	38	0	30
Koreans	1	0	39	12	2	21
Porto-Ricans	0	0	21	9	2	11
Hawaiians	2	0	15	15	8	7
Chinese	0	0	10	2	2	4
Others	0	0	16	16	0	8
Totals	11	15	1660	418(25%)	253(15%)	506(30%)

	1932	1933	1934	1935
Male Personnel June 30	2,039	1,908	1,815	1,660

PLANTATION POPULATION

	Adults	Children
Male	1,660	905
Female	625	846
Grand Total	2,285	1,751
		4,036

Japanese children only, 876.

VIBORA LUVIMINDA

Pili Street, Wailuku, Maui

MAY 14, 1937.

E. J. EAGEN,

National Labor Relations Board, Honolulu, T. H. Care of Young Hotel.

(Attention Mr. Eagen:)

We request at this time that our charge filed with the Board against the Puunene Plantation Company be withdrawn for the reason that the true name of the company is the Hawaiian Commercial and Sugar Company.

We also request this withdrawal, in view of the fact that additional charges involving the above-named company and the Hawaiian Sugar Planters Association, and covering many of the allegations contained in our charge, and also additional matters have been filed with the National Labor Relations Board.

Respectfully yours,

copy

(Signed) VIBORA LUVIMINDA,
ANTONIO A. FAGELO

Job classification, male citizen personnel, one Hawaiian company

Ancestry	Total Number	Cutters	Loaders	Haul Cane	Portable Track	Short Term Contracts	Long Term Contracts	Agri. & Irrig. Depts.	Lunas	Total in field work	Sk.#1 (over \$100.00 Per)	Lab. & Boiling House	Engine and Fire Rooms	Machine Shop	Locomotives & Section	Tractors	Trucks	Garage	Carpenters	Welders	Plumbers	Electric Shop	Store	Office	Pumps	Miscellaneous Jobs	Not working
Jap	226	2	45	3	3	57	27	8	4	149	3	15	13	1	9	1	1	1	9	1	1	5	3	3	0	134	
Port.	89	3	1	6	4	7	24	23	7	24	23	1	1	1	11	3	1	4	1	1	3	6	4	4	5	17	
Haw	16	0	2	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
A. S.	36	1	---	---	---	---	---	---	14	14	31	3	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Kor.	11	1	2	---	---	4	---	---	---	7	1	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
P.-R.	7	1	---	1	---	2	---	---	---	3	---	---	---	---	2	---	---	---	---	---	---	---	---	---	---	---	---
Fil	5	1	1	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Chi	2	---	---	---	---	1	2	---	---	5	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Others	16	---	1	---	---	---	---	---	---	1	4	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Total	406	7	52	10	3	75	29	8	25	209	63	21	15	5	28	3	14	7	10	3	4	15	5	12	---	7	435

UNITED STATES OF AMERICA, BEFORE THE NATIONAL LABOR RELATIONS BOARD,
20TH REGION

In the Matter of HAWAIIAN SUGAR PLANTERS' ASSN., and HAWAIIAN COMMERCIAL AND SUGAR CO., LTD., and EDWARD BERMAN

CHARGE

Pursuant to Section 10 (b) of the National Labor Relations Act, the undersigned hereby charges that the Hawaiian Sugar Planters' Assn., Honolulu, Territory of Hawaii, and the Hawaiian Commercial & Sugar Co., Ltd., Island of Maui, Territory of Hawaii, have engaged in and are engaging in unfair labor practices within the meaning of Section 8, Subdivisions 1 and 3 of said Act, in that the Hawaiian Sugar Planters' Assn., which is a voluntary association of thirty-eight of the forty sugar plantations in the Territory of Hawaii originally organized under the name of the Planters' Labor and Supply Company for the purpose of importing alien labor from the Orient and later from the Philippine Islands has, among other things, engaged in and is now engaging in various efforts to prevent the employes of its members from joining, forming or assisting labor organizations of their own choosing; that in carrying out its aforesaid purpose to prevent the employes of its members from organizing the Hawaiian Sugar Planters' Association has:

(1) Dictated the labor policies of its members; established a labor bureau; perfected an espionage system to spy on said employees and to report on their organizational activities;

(2) Employed one Richard Hyland, among others, to attend meetings of said employees to secure reports on said meetings, to create, publish, and distribute through the Pan Pacific Press Bureau and other Agencies, propaganda relative to the organizational efforts of said employees and other matters and to generally engage in a campaign to discourage membership in labor organizations;

(3) Exercised control and influence over various and sundry Governmental Agencies to the end that said employees are refused the right to meet in public buildings; Secured the passage of various anti-labor legislation which is allegedly still in full force and effect such as the Territorial anti-trespassing law which makes it difficult, if not impossible, for those interested in labor organizations to contact employees; the passage of vicious anti-picketing and injunction laws which are in conflict with the spirit and purpose of the laws of the Congress of the United States; caused various labor leaders to be harassed, resulting in many of them ultimately departing from the Territory of Hawaii; and caused employees engaged in various Governmental works to be used as strikebreakers and caused their wages to be fixed at lower than the going wages for similar work in the United States so that the labor standards would not be raised in the Territory;

(4) Obtained possession or control of various arms and equipment for the purpose of intimidating workers; employed guards to ride on horseback fully armed; caused a large number of deputy sheriffs to be sworn in; collected supplies of tear gas and, in general, tried to give the impression to the public that the said employees are a dangerous group of individuals.

That the Hawaiian Commercial & Sugar Co., Ltd., is a member of and has cooperated with the Hawaiian Sugar Planters' Association and assisted it in all the aforesaid acts and particularly insofar as said acts relate to a labor controversy existing among its employees on its Puunene Plantation, Island of Maui, Territory of Hawaii, including its employees engaged in and about its sugar factory located on said plantation.

That the Hawaiian Sugar Planters' Association and the Hawaiian Commercial & Sugar Co., Ltd., did, on the dates set after their names, cause or acquiesce in the discharge of the following individuals who were employed in the sugar factory located on said plantation or at various other places on said plantation because they joined and assisted a labor organization of their own choosing: namely, Vibora Luviminda, to-wit:

Florentine Cabe
Nacario Zuicio
Bonifacio Colosa
Bentio Alconcel

Sepriano Corrales
Felipi Cannoria
Agaton Salanpes
Juan Garcia

(All the aforementioned employed in or about the sugar factory.)

Calixto Damaso
Carciano Marinias
Senon Udocoyan
Celardo Root
Federico Lacar
Eougenio Lorenzo
Semeon Rosalan

Canoto Andays
Felix Cabrera
Fernando Salantes
George Corbillion
Mariano Castillo
Federico Sebastian

(All the aforementioned employed as can cutters.)

Victoriano Cabralda, Seed Cutter
Lorenzo Lacambra, Cane Grower

Modesto Doctor, Cane Grower

That the Hawaiian Sugar Planters' Association and the Hawaiian Commercial & Sugar Co., Ltd., did on or about the dates aforesaid cause said employees to be forcibly evicted, by armed police officers, from their dwellings without notice and in such manner as to tend to embarrass them before their fellow-workers for the purpose of discouraging membership in the aforesaid labor organization: That by the discharge of the aforesaid employees, the Hawaiian Sugar Planters' Association and the Hawaiian Commercial Sugar Co., Ltd., did engage in and are engaging in an unfair labor practice within the meaning of Section 8, Subdivision 3, of said Act; That by such discharge of said employees, and by each and all of the acts described above, and by various other acts, the Hawaiian Sugar Planters' Association and the Hawaiian Commerce & Sugar Co., Ltd., have engaged in and are engaging in an unfair labor practice within the meaning of Section 8, Subdivision 1, of said Act.

The undersigned further charges that said unfair labor practices are unfair labor practices affecting commerce within the meaning of said Act.

(Signed) EDWARD BERMAN,
122 N. Green St., Honolulu, Territory of Hawaii.

Subscribed and sworn to before me this 15th day of May, 1937

[SEAL]
copy

MAILE THEVENIN.

HONOLULU, T. H., May 21, 1937.

STATEMENT OF EDWARD BERMAN

I arrived in Wailuku, Maui, at 2 A. M. Monday, May 10th, coming there by inter-island steamer from Hilo, Island of Hawaii.

A strike had been called by Filipino workers at Puunene plantation, Maui, near the village of Wailuku. Antonio Fagel, by mail had asked me to appeal

to organized labor to support the strike and had also asked me to come over if possible to help settle the dispute.

On the morning of May 10th I rode with some of the strikers to the entrance leading into Puunene plantation. We were stopped at the entrance by armed guards who refused us permission to enter the grounds.

We rode on the public road encircling the plantation and passed company agents of the Hawaiian Commercial and Sugar Plantation riding on horseback all of them heavily armed. Some of the deputies were very young; mere boys.

That afternoon strikers asked me to see a man named Marquis Calmes, who is on the Board of Directors of the Territorial Building, a public building at Kahului, Maui, owned by the Territory of Hawaii. They asked me to get permission for them to use the building for a strike meeting. Prior to that they had made two requests for the building and had been refused. They told me that the building was controlled by the sugar planters.

I saw Calmes with William Bailey and a few of the Filipino workers. He said that he "had his orders" and that it was no use trying. The building was not for the strikers, although he admitted that, "legally the building belonged to the public." He also said that improvements and repairs had been made on the building recently and that plantation workers had donated their money to make these repairs and improvements.

In Wailuku, I met about twenty of the strikers, who were living in a rough shack on Pili Street. They told me they had been evicted from their homes by company agents, not even being given time to collect their belongings. These men were all leaders of the Vibora Luviminda, leaders in the difference catamps of the Puunene plantation. No reason was given for evicting them. Only men who were known as camp leaders were evicted.

Tuesday night about 7:00 P. M. the strikers were given a "statement of policy" by Frank Baldwin, manager of the plantation. They decided to bring it to the men on strike for discussion the following day.

On Wednesday morning, believing that it would be possible to secure the Territorial building for a meeting so that the men could discuss the company proposals behind closed doors, I again visited Mr. Calmes. Again he refused, although the men offered to pay any janitorial expenses.

The men were forced, as they had been before, to hold their meeting on plantation grounds in the presence of police officers, special heavily armed deputies, and certain plantation lunas or foremen, whom the men call "suckers", the Filipino equivalent for spy or stool pigeon. Holding a meeting in such an atmosphere was certainly not conducive to bringing about a peaceful settlement.

Had the meeting been held away from the presence of the company agents behind closed doors, it would have created a better atmosphere for intelligent and cool discussion. As it was, the men who controlled the Territorial Building, all plantation managers and owners refused to grant this little concession.

At the meeting where I spoke, I saw one Dick Hyland, who, during the recent west coast maritime strike was employed by the Industrial Association of Honolulu to "observe" the strike situation. He used to, during the maritime strike, frequent beer parlors where maritime unionists congregated, "seeking information". He posed as a newspaperman.

At the meeting also were police officers who took note of everything I said and everything the other speakers said.

Although the men have been peaceful throughout the strike, the company has created an armed fortress, an atmosphere that is certainly not conducive to peaceful and friendly relationships.

The men told me that men have been deputized to carry guns who never handled a gun before in their lives. Some of the deputies I saw were mere boys, and it seemed to bear out their statements. Some of the armed company agents were Filipinos.

I left Maui late Tuesday afternoon.

Copy

(Signed) EDWARD BERMAN.

STATEMENT OF WILLIAM BAILEY

HONOLULU, T. H., May 21, 1937.

On my first trip to Maui which was about April 7th, I was invited over there by Antonio Fagel, president of the Vibora Luviminda to speak at a number of mass meetings under the auspices of the organization, which is the official union of plantation workers on the Island. Fagel said his meetings had been

disbursed and that he had been slugged and beaten by agents of the Hawaiian Commercial and Sugar Company, Limited, an H. S. P. A. subsidiary. He said that if haoles (white men) would help them organize, that they would no longer beat him or disburse his meetings.

While speaking at these meetings on Maui, I noticed that they were attended by a number of special plantation officers and Maui police officers. Besides the special officers and policemen, I noticed one in particular whom I found out later to be Dick Hyland from Honolulu. I found out that he had been in the employ of the Industrial Association with headquarters in Honolulu.

When I returned to Honolulu after a week on Maui, Hyland returned immediately after me.

A few days after I got back to Honolulu I received a radiogram from Fagel stating that more than 500 workers at Puunene Plantation had gone out on strike for higher wages. He asked me to come over and help. I left immediately for Wailuku, Maui. Right after I landed on Maui, the same Dick Hyland appeared on the scene. He came to every meeting held by the strikers, except one at Hana, when the road was bad. However, he told me that he had telephoned the Sheriff at Hana to record any speech I might make. Hyland said that he had returned to Maui because of me; that he was on Maui to see that I did not violate any section of the Territorial Criminal Syndicalism Act. Every time he talked to me on Maui he said that I should leave, that his girl friend was going to arrive soon in Honolulu, and that he hoped I would get back to Honolulu so that he could return too. At every meeting I know for a fact that every word I said was recorded in shorthand. Sometimes the work was done by police officers and sometimes by a woman, who attended meetings too. I often noticed Hyland taking note of meetings too.

Riding around near plantation property, I saw more than 10 special armed plantation police patrolling the road to the main entrance to Puunene Plantation. I attempted to ride into the plantation ground with a few of the men on strike but was stopped by the special police, who had been hired by the company and who carried pistols and belts. Some of the deputies were very young. A few were Filipinos too.

One day we made two attempts to secure the Territorial building a public building to hold meetings in. A Mr. Marquis Calmes, chairman of the Board of Directors of the Building, refused to let the men have the building, although they were willing to pay for its use. This Calmes showed by his talk that although the building was for the public, the sugar planters controlled its use and it was not their intention to give it to the strikers.

This did not help to bring peace, because the men were forced to hold meetings in the open, attended by men whom they claimed were stool-pigeons and spies. The presence of these stool-pigeons and spies in plain view of the men only tended to remind the men of the company's espionage system, whereas if they had been allowed to hold closed meetings in the public hall, things would have been more conducive to peace.

One day strikers brought word to strike headquarters that more than 150 WPA men were being hired to cut the cane. An investigation of this showed that about 100 armed guards, some of them mere kids, were being used to protect strikebreakers recruited from a government agency. One of the WPA men told me he was being paid three dollars a day to do this work, which he had never done before, a wage far above what the men now receive. He said that he had been ordered by WPA officials to do this work, but he would rather do WPA work, because he was afraid of the men with the guns, as some of them had never held a gun in their hands, and he was afraid that someone might get hurt.

I was in the hall of the Vibora Luviminda one day when one of the plantation trucks pulled up to the door, loaded with strikers' clothes and belongings. It was the possessions of strike camp leaders, who had been evicted by the company from their homes, because they were camp leaders of the union, and for no other reason. All of the leaders, more than 20 of them, were given some kind of letter of discharge by Frank Baldwin, plantation and were told to stay away from the plantation.

One of the strikers told me that camp police were going through the home of the strikers and had confiscated a union receipt and other union records from one of the strikers' homes.

A few strikers and myself accompanied men who claimed that their homes were being searched to the police station to swear out a warrant for the men who were doing this illegal searching. We were told by the policeman at the

station that "we would have to see the judge". The next day the union receipt was returned to its owner.

A few of the strikers pointed out, and I saw with my own eyes, a machine gun mounted on one of the mills. I do not know the number of the mill, but it is the first mill upon entering the plantation grounds. The type of machine gun resembles the Victor machine gun type, with three legs on it.

A few days later, when the Voice of Labor carried a story that a machine gun had been mounted on the mill, the machine gun disappeared from its place.

Upon the arrival of Mr. Berman in Wailuku, we again attempted to see Mr. Calmes to get the use of the Territorial Building for a mass meeting. The company had submitted an agreement and the men wanted to discuss it. We were again refused, the plantation management refusing to give the men a chance to discuss the agreement behind closed doors and in privacy. They had to hold the meeting in the open, as before, in the presence of armed deputies, police and men whom they claim to be company stool pigeons and spies.

I left Maui, immediately after the men turned down this agreement. Immediately Dick Hyland returned to Honolulu.

At all of the meetings on Maui, I noticed a few men on horseback with high-powered rifles across their saddles.

All meetings and demonstration by the men were peaceful in an atmosphere created by the company that was not conducive to peace.

(Signed) WILLIAM BAILEY.

HAWAII'S HISTORIC FIRST NATIONAL LABOR RELATIONS BOARD HEARING

It's a high-ceilinged room on the third floor of the postoffice building in Honolulu. Looking down upon all that takes place is a picture of George Washington.

It is Judge Watson's courtroom, but nowadays there sits in the judge's chair NLRB examiner, George Pratt, blue-eyed and wide between the eyes, kindly, imperturbable, slow of speech, putting questions simply, overruling objections calmly, listening to a dockman's halting testimony with patience, not visibly impressed by legal theatrics.

At the long table where counsel sits, just before the witness box, tips back in his chair, short-legged NLRB attorney, now Regional Director for Hawaii, E. J. Eagen, a boyish, baby-faced beagle with a bloodhound scent for bunk and a bulldog bite for fact.

Two men. Two mainlander malihinis. But behind them is faintly seen the tall, whiskered, quizzical, tail-coated, beaver-hatted, star-pantalooned figure of Uncle Sam. Discernible, too, now, the solemn and ponderous conclave of the Nine Old Men.

Pratt and Eagen are symbols. They bear federal authority. Single-handed, they have set going what you, as an interested observer of history in the making, may watch any day you like. Like enough, they mark the beginning of the ending of an old regime. Would you fail to notice a Goetterdaemmerung when it comes?

At the long table also is to be seen a representative of a shipping company, heavy, humorless and obviously annoyed, flanked by lawyers reputed to be among the best that unlimited money can retain.

The clock ticks dollars. An important executive and gilt edged attorneys are giving their time to offset the things said by a Hawaiian stevedore. A spruce young lawyer with the polish of college and professional school lays an elaborate trap to trip up the overaccurate working man witness on an inconsequential date.

Here in Honolulu, in this high-ceilinged room, one of the world's great shipping companies is on the spot. Charges were made against it by waterfront workers. After investigation by the National Labor Relations Board, the facts found were regarded as justifying the issuance of a complaint. Followed the hearing,—that's where you come in.

What is now going on in the high-ceilinged courtroom is a National Labor Relations Board hearing, a judicial effort to appraise and locate guilt. The shipping company is respondent,—that is defendant,—that is, the accused party. Its executives and its lawyers are there to assert its innocence. It is on the spot.

This is drama, and drama of a new kind. It is a court scene that is informal, humanized. The examiner sitting in the judge's seat may be wearing a blue shirt. He may take time out to make an off the record explanation to captious

corporation counsel as to why an objection is overruled, telling him gently that in these hearings a certain latitude in technicalities will be taken, in order to see the whole situation from all sides.

The room is full, but you can find a place around the edges, and after a while somebody will depart and you will have a seat. The crowd is respectful, silent, intent. It is getting an education. It is made up mostly of Hawaiians, with a scattering of callous-handed haoles and newspaper folk with now and then somebody who looks to be of the leisure class or a housewife on adventure. Unbussy lawyers like to pop in and watch the process of this new sort of court in which not even the judge is indifferent or bored.

Worth your seeing, don't you think? The Madrilenians refuse to take their children out of Madrid in spite of the bombardment. "They would never forgive us!" One imagines children of a decade or two hence reproaching, "You were in Honolulu when the first NLRB hearing was held,—and you didn't go?"

For whether we perceive it or not, the drama is there. Whether we realize it or not, history is being made. Whether we sense it or not, something is happening that may well mean a new industrial order. Not a fascistic order. Not a communistic order. Not a foreign order. A democratic order. An American order. In fact, just order,—order in the place of chaos, order in the place of war, the round table instead of the lockout, the collective contract instead of the strike, the genuine captain of commerce instead of the tycoon, the engineer instead of the buccaneer, humane consideration instead of ruthless exploitation, reason instead of force.

Would you let that happen before your eyes and you not know it? The union-strike-lockout-appeal-to-force method of getting things ready for a settlement by negotiation was never anything but an intermediate stage, necessary not because of the nature of industry but because of the arrogance, ignorance, and selfish brutality of human nature. Industrial war is as indefensible as international war, but to dissolve labor unions would be as great a folly as to disband the army and the navy and the marines. Idealism and realism must be made to work together.

The Wagner act, properly called the National Labor Relations Act, is a rational substitute for industrial war. True, it distinctly says (Sec. 13), "Nothing in this Act shall be so construed so as to interfere with or impede or diminish in any way the right to strike." Yet the right is one thing, the necessity another. The Act is calculated to make strikes unnecessary. Its very title reads: "An Act to diminish the causes of labor disputes."

This the act declared by the Supreme Court to be constitutional by the risky margin of one vote. It is a federal law under which the present NLRB hearing is being held, the two hundredth or so of its kind.

These hearings, it is to be distinctly understood, are judicial, not partial. They are held only when adequately substantiated charges have been filed alleging the respondent to have been guilty of certain prohibited practices.

The outcome of the hearing, even when it finds the defendant guilty as charged, is to his ultimate benefit. It may restore a discharged employee to his former position and order that he be given back pay, or its findings may otherwise go against the grain, but it is better to swallow some pride than to go through a labor war. Again, it is better for workers to make some concessions than to go through a labor war.

NLRB, then, really means No Longer Resort to Barbarism and Now Let's Reason Broadly. It is a rational substitute for industrial war. Ratified at last by the Supreme Court, the Wagner Act, or National Labor Relations Act, is now given a standing and permanence it has not had during the almost two years since its approval on July 5, 1935.

UNCLE SAM TAKES A PEAK AT PARADISE

Weary from the long sessions of Congress, the prattlings of politicians, the consternation over sit-down strikes, the shipment of arms to belligerent Spain, and prompted by a desire to forget a world talking of peace, but thinking only of war, Uncle Sam decided to take a rest in Paradise,—in Hawaii,—to stretch his tired bones in the land of sugar where the rainbows reflect the moonlight and the coconuts fall but miss the monkeys' heads. Tired from the endless strain of a highly industrialized mainland, Uncle Sam decided to take a peak at one of his youngest children who was claiming a legitimate place in his family of childish states at the request of its sugar dadies.

Under the pretext of learning how the provisions of the Wagner Labor Rela-

tions Act were being carried on in Hawaii, Uncle Sam made his plans to visit the Islands, which he was informed, maintained the western frontier of American democracy,—that there in the midst of the setting sun was a land which had been conquered by the prayers of missionaries, which was ruled by the law of charity, where ocean waters restored the vitality of youth,—what a grand place for a tired old man to go even if he had only a superficial excuse for a quiet vacation, for surely in Paradise one could find nothing wrong!

Departing through the Golden Gate, which was so named only because diamonds hadn't been discovered at that time, Uncle Sam was at first somewhat chagrined to see the "gate" decorated with the partially submerged hulls of two ships, but on second thought he remembered he was in California and that what he saw *must* be unusual. Anyway, why worry,—wasn't he leaving all this wreckage behind and going to a land, not of milk and honey, to be sure, but to a land of promise,—sugar,—and Christian environment. Undismayed, the long-whiskered symbol of the greatest democracy, sailed bravely on, despite wind and waves, and a rocking sea which kept most passengers holding on to their bunks. Preferring American simplicity to a British display of grandeur and splendor, Uncle Sam turned a deaf ear to high pressure sales talks about the hotel palaces on Waikiki, and instead selected what he assumed was a typical American hotel in the heart of Oahu, American's Gibraltar of the Pacific.

What a relief to arrive in Honolulu,—at last one need not be on his guard against racketeers! Uncle was a little surprised when the taxi-driver who had delivered him to his hotel after a four-block ride requested a dollar, especially when he looked across the street and saw a sign reading, "Taxi—2 miles for 25 cents". Oh, well, why worry about trifles when everything else in this fairy land would be so wonderful? Now, for a nice refreshing shower and a little quiet rest,—but, the hotel clerk said, "Sorry, no rooms available until later". Uncle concluded a little stroll would be in order.

He was informed that the buildings which he first observed were not castles, altho they might have some Castles or even some Cooks in them, but were the offices of the Big Five. What did they mean,—Big Five? Surely there must be a mistake for certainly every one in Paradise must be on an equal footing. Big Five,—perplexed Uncle Sam concluded it must be a nickname. This certainly does look like Paradise,—even Saint Peter would enjoy living in such beautiful structures. How could any one ask for anything finer? Even his mental picture painted by tourist bulletins hadn't equalled the sight he beheld. Awe stricken he wandered on for a few blocks and,—where was he,—not on Main Street in Seattle? He couldn't be,—what was the matter with him? A little farther on he thought of Chinatown in San Francisco. He must be losing his mind. No, he begged pardon for stepping on a Chinese woman's foot which was bare and supported by a wooden sandal. Then he had to dodge the silk kimonos of some Japanese lassies. He bumped a Houle, and just missed a wandering Malahini. Next he saw a Kamahini or two,—usually a policeman or an American politician in disguise.

Uncle Sam stopped abruptly,—it couldn't be true! Yes, it was,—a barber shop. The ladies of Nippon were clipping the straggling hairs from some of his Sailor boys from Newark to San Diego.

With his curiosity now thoroughly aroused, Uncle Sam decided to continue his walk with renewed interest. He could hear the voices of some Orientals passing him,—were they talking about him,—he couldn't understand them. He stopped on the corner to let an automobile pass, but the driver, a smiling Japanese boy, stopped and motioned him to pass in front of the vehicle. Certainly a nice custom,—too bad the states didn't have some Oriental customs. Across the street he stopped to light a cigarette,—what language were those two men using,—it sounded familiar. Oh, yes, it sounded like his Scotch landlord on the mainland. Just then he heard the word "bloody". Some one must be in trouble,—no, it was just a young man walking down the street with his arm around a Puerto Rican girl. And, what kind of a hotel was this, where a large group of Filipino boys was standing in line? They only smiled. The English, the Scots and the Orientals were here, but where were the folks from the states? Music to his ears,—he heard some American slang,—turned around, and saw two army boys. And what were these young Japanese girls doing with all these sewing machines,—apprentices, the lady in charge said,—oh, they started about eight in the morning and the place stayed open until ten or eleven in the evening, but the girls could go any time they wanted to as they were on piece work basis. The youngster in the cafe was very pleased with her dime tip as she said it was rather hard to live on six dollars per week.

Glad to get away from the smelly cafes, Uncle decided to go out into the residential district. My, those houses are close together,—or, are they houses? Their roofs almost touch,—no yards,—and look at the clothing hanging on the veranda upstairs. A house right in back of this one,—oh, and another one in back of that. My, what an odor and the air so humid? What is this,—surely some one didn't move the New York City tenement houses out here when Uncle arranged the slum clearance program. No, it was "hell's half acre". Wasn't the slum clearance campaign carried on here? No. the little Portuguese woman said something had happened to it at the legislature she didn't know exactly what.

Very confused with what he had seen, Uncle returned to his hotel quite exhausted. His bags were still piled by the elevator. A bed would be ready for him in a little while in the dining room. So this was Paradise!!!

EXHIBIT No. 1284

JUNE 8, 1937.

Personal: Confidential.
BENEDICT WOLF, Secretary.
E. J. Eagen, 19th Region.

I have attempted to comply with your request of May 26, 1937, and submit herewith my report on the situation in Hawaii. I sincerely hope that it will be treated confidentially and will not be placed in the regular office files. I am confident that the sugar interests will spare no effort to learn the contents of this report—I would have little peace the rest of my life if they were successful.

Perhaps, I have covered too many fields in my report. Thought it best to give you as much as I could. If it is unsatisfactory, dump it in the wastebasket, and I'll try again.

I certainly appreciate your cooperation during the time I was in the Islands. I had never paid any attention to office details before going over there, and know I must have neglected some of the routine. My alibi is that I could only get a girl late in the afternoon or at night when I was really too tired to function intelligently, even if I could do so under normal conditions. It took nearly three weeks to get a reply back from your office. Consequently, there was nothing to do but to have my own labor board, use my own judgment, and sink or swim as best I could. I had Japanese callers as early as 6:00 a. m., and Hawaiians as late as 1:00 a. m. I find that having one's office and bedroom together isn't an ideal way to take a rest cure.

I tried not to do anything which would in any manner embarrass the Board. Regardless of my success in that regard, I want you to know that I did my best. I was under a devil of a nervous strain most of the time—probably imagination. However, I enjoyed my experience and have received a liberal Hawaiian education.

I have endeavored to present an impersonal picture in my report but I see I still have a few personal digs in it; however, it is too long to revise. Anyway, Charley Hope is trying to get me out of Hawaii as fast as he can, and get my mind on Seattle, Dave Beck, C. I. O., etc.

Sincerely,

E. J. EAGEN.

EXHIBIT No. 1288

NATIONAL LABOR RELATIONS BOARD

WASHINGTON

Date: June 25, 1936.

MEMORANDUM

To:
From: Edwin Smith.
Subject:

I questioned Mr. Wolf today concerning any light which he might be able to give on the recent episode in which Mr. Ryan stated before the Board, Mr. Wolf and Mr. Logan that on my return from the Coast I had made a speech to the staff