

anonymous letter to the management that they had built up the whole system in days of cheap labor and that somebody ought to apprise them of the fact that labor was no longer cheap; everywhere it seemed to be the thing to take things very easily with regard to the saving of men's labor.

I am quite sure, finally, that now is the appointed time to make the change. It will be mentioned at a great many meetings of the workers that here are thousands of men out of work while in steel there are thousands of men on the twelve-hour turn.

Where there is so much of the human "thought" behind anything, I am sure that the problem can be worked out on a basis that is ethical, practical and right from every point of view.

Some one has said: "We breathe cheaply in the common air thoughts great hearts once broke for." Anybody who has had any experience with the eight-hour shift will agree that it would be a shame if any hearts were required to be broken for the bringing about of a change so manifestly to be desired from every point of view.

6. TELEGRAMS AND LETTERS

The following telegrams and extracts from letters represent the views of persons who had been invited to discuss Mr. Drury's paper but were unable to be present:

Have read Mr. Drury's paper with regard to Commonwealth Steel Company's experience with three-shift arrangement and glad to say his statements are correct. We feel the three-shift condition has enabled us to get a higher type of workman and has increased efficiency which has reflected itself in a higher quality of product and increased tonnage. It has reduced turnover. We find men more alert on an eight-hour turn. It has also minimized our accidents from both human and production standpoint as well as resulted in a more economical use of materials and prolongation of life of furnaces. We feel our experience has been most satisfactory on the three-shift arrangement.

CHARLES M. COOKE.¹

Have read Drury's reprint. His investigation seems exhaustive; his attitude practical; his deductions unanswerable. I am more strongly convinced now than ten years ago of economic wisdom of abolishing twelve-hour shift in steel industry. Probably its leaders will never have better time than now to take action. Postponement must stimulate unrest and make practical basis of wage readjustment more difficult.

R. A. BULL.²

Mr. Drury was here about two weeks ago and had a long talk with the writer with respect to the three-shift system in the steel industry. It is our opinion that great caution and care must be exercised in arriving at any conclusions whatsoever with respect to the economic success where plans have changed from the two-shift to the three-shift plan. We are entering a period which is going to test many wage methods and plans of employees' representation which were inaugurated during a period of unbounded prosperity and

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labor shortage. Only yesterday I read a letter from an executive who was just leaving the employ of a large steel company because of certain changes in their policies which made his position no longer necessary. This Company has already made very sweeping changes in its personnel program by discontinuing its employees' representation scheme, etc., etc. We have heard of a few isolated cases where plants have already reduced hourly wages and changed back from the three-shift to the two-shift plan in order that the total weekly earnings of those employees who remained would not be reduced.

We have stated to Mr. Drury and others that we are opposed to the change from two shifts to three shifts by simply passing on an added cost to the public.

We have introduced the three-shift plan into all of our producing departments and most of our service departments, but it will take us some months before we can determine whether or not our unit cost has been maintained at the former level or increased or decreased.

CHARLES R. HOOK.³

VIII. APPENDIX

REPORT OF A COMMITTEE OF THE STOCKHOLDERS OF THE UNITED STATES STEEL CORPORATION— APRIL 15, 1912

At the annual meeting of the stockholders of the United States Steel Corporation held April 17, 1911, the following resolution was adopted:

RESOLVED, That the chairman shall forthwith appoint a committee of not more than five persons from the officers, or stockholders, of this Corporation to investigate and report to the Finance Committee, as soon as may be but not later than October 1, 1911, as to the truth of the statements contained in a certain article appearing in the March number of the AMERICAN MAGAZINE under the title "Old Age at Forty," and that such a report together with such comment as said Finance Committee may desire to add thereto, shall thereupon be printed and mailed to the stockholders of this Corporation.

Pursuant to such resolutions, Hon. E. H. Gary, Chairman of the Board of Directors, appointed the following committee:

Thomas DeWitt Cuyler, of Philadelphia,
Stuyvesant Fish, of New York,
Darius Miller, of Chicago,
Charles A. Painter, of Pittsburgh,
Charles L. Taylor, of Pittsburgh.

The absence of several members of the committee, immediately following its appointment, prevented a full meeting until October 31, 1911, on which date the committee met for organization, electing Mr. Fish as chairman. Between that date and January 12, 1912, several meetings were held, at one of which Charles M. Cabot, the author of the resolution, and John A. Fitch, the writer of the article "Old Age at Forty," were present. They, with three members of the committee, held an all-day conference.

At the meeting held on January 12, 1912, William H. Mathew was chosen to act as secretary of the

³Vice-President and Asst. Gen'l Manager, The American Rolling Mill Company.

committee. Since that date, he has devoted his entire time to visiting many plants of the corporation, has interviewed workmen, superintendents, and officials, business and professional men in the mill towns, and has been in conference constantly with one or more members of the committee.

From the data gathered by our secretary, together with that obtained by the members of the committee, who, accompanied by Mr. Cabot on the committee's invitation, visited many of the works in the Chicago, Cleveland and Pittsburgh districts—giving to such inspection all their time from April 3 to April 12—the facts and recommendations which follow are submitted.

As a result of the several meetings held by the committee, for the study of the article under discussion, as also through conference with Messrs. Cabot and Fitch, it seemed that the main questions calling for consideration were.

- (a) The seven-day week, and long turn,
- (b) The twelve-hour day,
- (c) The speeding of the workmen,
- (d) The repression of the men.

Before taking up these questions singly, we believe we state the facts in saying that no one of these practices was inaugurated by the United States Steel Corporation. Rather were they in vogue, to a greater or less degree, in the various companies which were brought into one when the Steel Corporation was organized.

(a) *The seven-day week and long turn.* Until recent years, the seven-day week has been the general rule and practice followed in all the operations which are necessarily continuous, particularly in that of blast furnace work. Nor was it always confined to departments where such continuous operation was a metallurgical necessity. Recognizing the harmful effects of such schedule of work, the Finance Committee of the Corporation, on April 23, 1907, adopted and transmitted to the presidents of all subsidiary plants of the Corporation, the following resolution:

On motion, it was voted to recommend to all subsidiary companies that Sunday labor be reduced to the minimum; that all work (excepting such repair work as cannot be done while operating) be suspended on Sunday at all steel works, rolling mills, shops, quarries, and docks; that there shall be no construction work, loading or unloading of materials.

It is understood that it is not at present practicable to apply the recommendation to all departments, notably the blast furnaces, but it is desirable that the

spirit of the recommendation be observed to the fullest extent within reason.

While the efforts made by individual officials to carry out the recommendation of the Finance Committee resulted in some progress being made toward compliance with same, in many plants it was disregarded in whole or in part. The explanation of this failure to detach from the steel industry the seven-day schedule of work may be best found, we believe, in that zeal of operating officials, for output, exclusive of all other considerations. This being contrary to the policy of the board, and at variance with the resolution of its Finance Committee, a telegraphic order of a pre-emptory character was issued by Judge Gary, on March 18, 1910, to the presidents of all constituent companies, reading as follows:

Mr. Corey, Mr. Dickson and I have lately given much serious thought to the subject-matter of resolution passed by the Finance Committee April 23, 1907, concerning Sunday or seventh-day labor. Mr. Corey has written you concerning the subject within a day or two. The object of this telegram is to say that all of us expect and insist that hereafter the spirit of the resolution will be observed and carried into effect. There should and must be no unnecessary deviation without first taking up the question with our Finance Committee and asking for a change of the views of the committee which probably will not under any circumstances be secured. I emphasize the fact that there should be at least 24 continuous hours interval during each week in the production of ingots.

(Signed) E. H. GARY.

Whether viewed from a physical, social or moral point of view we believe the seven-day week is detrimental to those engaged in it. While not wishing to imply that the method adopted by any individual official or any combination of two or more methods would be the best to meet requirements in all mills, we are strongly of the opinion that no matter what alleged difficulties of operation may seem to hinder the abandonment of the seven-day week, they must be met.

The records of today indicate that with the exception of two or three plants, the seven-day week has been relegated to the past.

The resolution of the Finance Committee, as subsequently emphasized by Judge Gary, was strictly mandatory in character and should, in our judgment, be absolutely enforced at all times, in all mines, mills, shops, railways, docks, and works of the Steel Corporation. Any tendency on the part of anyone to disregard the spirit of the letter of such order should be sufficient cause for removal from service.

Closely allied with the question of the seven-day week, is that of the excessive hours of labor involved in continuous processes, caused by the changing of