

a number of dollar-a-year men during the War. A good many of them were Taylor Society members who are figuring pretty prominently here today. I wanted you to know that they had their hands in that early document as well as in this.

Arthur E. Suffern.¹² This code seems to me extremely realistic in actually facing the present industrial situation. The employer has protected property rights which give him ultimate control of industry. He can do business with that property or not as he pleases and in the last analysis he has the control no matter whether the arrangement with his employes is collective bargaining with a trade union or with a company union. He can discharge any employe at will and a representative of the employes cannot have a real status as a negotiator unless he is hired and paid by the employes. The code is realistic in declaring that "the function of collectively representing the employes" can be performed "only if control of this organization of workers rests fully and really with the workers themselves."

John M. Carmody.¹³ I am sorry that Noel Sargent of the National Association of Manufacturers was not asked to comment on this document. I am glad, however, that the committee went ahead with something on which there is substantial agreement by a group of socially-minded people continuously working in industry. In order to progress it is necessary to nail down certain principles from time to time, even though there is no universal agreement on them. While I have made little contribution as a member of this committee I have been dealing with these problems over a number of years. Progress can only be made in industry on the basis of joint responsibilities and joint action on the part of all the essential factors in industry.

As a one-time production manager too, I was always happier when I dealt with an organized group of workers. Groups, once agreed upon a policy, can be more effective in carrying out that policy than scattered individuals.

This is the first compilation of these principles

¹²Economist, Federal Council of the Churches of Christ in America, New York, N. Y.
¹³Editor, *Factory and Industrial Management*, McGraw-Hill Publishing Company, Inc., Chicago, Ill.

that has been made. Improvements will be made and I look forward to the time when we shall feel that certain improvements and additions should have been part of the code.

Daniel M. Bates.¹⁴ As one who has a large interest in a small plant I want to say that it has been my desire for years to get better co-operation between the working force and the stockholders. We have gone as far as to have all the chief executives become stockholders. We set aside a certain amount of stock for them, holding it as security until they shall have paid for it out of dividends. That is the way in which I, as a young man in the Bancroft Company in Wilmington, was enabled to become a stockholder in my company. If the company is prosperous it works very well.

On \$15 shares we have been earning five or six dollars a share which meant that in three years the stock was the property of the employe. This year we have not done as well as this.

William Hutchins and Norman Hapgood have actually gone ahead with the sale of the Columbia Conserve Company of Indianapolis, to their operatives by turning over the common stock to a group of trustees. Employes do not hold it individually but as a group and pay for it out of earnings. I visited this plant last summer and my visit happened to coincide with a weekly meeting at which additional stock, making a total of 51 per cent of all the common stock, was taken over by the employes. Mr. William Hapgood explained to the employes that now they could fire him immediately if they wished, but this is far from their desire. The test of this scheme will come when the Hapgood influence is removed and the management has to develop leadership. A committee of all the employes deals with all problems, including wages. These are determined on the basis of need rather than of efficiency. A married man gets double the amount received by a single man and the married man with children gets more than the married man without children. If the wife is a worker the married man gets only the wage of a single man.

There is another case in Birmingham, Alabama, of a company left to employes. In this case, however, I am told that the owner died without having completely realized his purpose. I understand that

¹⁴President, Bates, Inc., Philadelphia, Pa.

the company has fallen into the hands of a few who run it as ruthlessly as any individual might do.

I am constantly looking for some organized help to guide co-operative industrial enterprises after the owner with ideals and vision has passed away. I think there are hundreds of industrial owners who have this same feeling that they want to make things better for their employes without knowing how. I wish the Taylor Society might show us the way.

Morris L. Cooke, Chairman. I want to thank those who have taken part in this discussion, and the entire audience, for their helpfulness on this occasion and to urge that you all do your part in launching this code on ultra-conservative and radical alike. Its usefulness is going to depend on its measuring up to the requirements of contrary minds. The more expressions of opinion we can have from sane-minded people, whether on the right, on the left or in the middle, the better it will be. Our committee expects to be even more active in the future than in the past. We shall value your suggestions as to amendments.

Some Public Comment Factory and Industrial Management¹⁵

January, 1931

THE industrial employment code, proposed by a committee headed by Morris L. Cooke, was regarded favorably by labor leaders, industrialists, educators and others

While the code is not in its final form, nor has it been adopted by the Society or the committee as a final document, it was offered for discussion and revision with that end in view. It defines and sets high standards for wages and earnings, hours of labor, security of employment, age policies, safety and health, and general personnel relationships:

. . . . The report, when finally completed, promises to be a significant formulation of present-day standards of management.

Information Service¹⁶

December 27, 1930

At a meeting of the Taylor Society in New York
¹⁵McGraw-Hill Publishing Company, Inc., Chicago, Ill.
¹⁶Department of Research and Education, Federal Council of the Churches of Christ in America, New York, N. Y.

on December 5, 1930, discussion ¹⁷on the most comprehensive industrial employment code which, as yet, has been advanced. The code has been formulated by a committee composed of employers, managers, engineers and economists.

. . . . This is a notable pronouncement supporting the position held for years by the Federal Council of Churches and other religious bodies.

The document as a whole may well be regarded as a landmark in American industrial history.

The Journal of Electrical Workers and Operators¹⁸

January, 1931

Whether the Taylor Society ever formally accepts the report of its Industrial Code Committee, or not, whether it sharply revises the new code in its final draft, or not, a long step has been taken toward the clarification of issues in the field of industrial relations. . . . A committee of notables reported on a "tentative draft for discussion" of the Industrial Employment Code at the annual meeting of the Taylor Society held in New York City, December 5. Already that document has provoked nation-wide comment.

The new code is rich in the statement of important principles.

Detroit Times

December 9, 1930

A committee of experts, headed by Morris L. Cooke, consulting engineer in management, has drawn up a new magna charta for labor and management at the request of the Taylor Society, to which enlightened employes belong. This new code goes to the heart of the desires of the ordinary head of a family who wants assurance of security of tenure in his job. . . .

It is refreshing at this time to hear these high minded words from an employer's group, and it is to be hoped that the process of translating fine phrases into more humane policies will not be long delayed.

New York Woman's Wear Daily

December 8, 1930

The submission of a tentative industrial employment code was the highlight of Friday's session of the Taylor Society.

¹⁸International Electrical Workers Union, Washington, D. C.