petitors are paying. The organization among your workers is such that they can demand almost anything they wish, and unless you grant the demand you are likely to get yourselves into trouble. Now, are you willing, Mr. New York market, Mr. Baltimore market, Mr. Rochester market, Mr. Chicago market, to delegate two representatives—one a manufacturer the other a labor manager—to whom you will intrust full authority in dealing with the Amalgamated Clothing Workers of America on any matters that affect wages or other industrial relations?" The answer was "Yes"; and two men were selected from each of the four markets, who met in New York and formed this National Industrial Federation of Clothing Manufacturers. The four employers were elected a Board of Governors. The four labor managers were elected a National Board of Labor Managers, and were given full authority to deal with the Amalgamated Clothing Workers of America, and all agreed to abide by any decisions which might be made for them by this committee. Last month the members of the Federation met with the President and Executive Council of the Amalgamated, and at present the President of the Amalgamated and one of the Labor Managers have secured a furlough of a month for the purpose of visiting the four markets, with the idea of collecting information which they can present before the Federation and the union as a basis for determining wages and other conditions in the clothing industry and stabilizing them for the period of the present manufacturing season.

It has been a very interesting thing to find that it is possible to have a workable arrangement of this kind. This, I believe, is the first instance where labor and capital have joined hands for national collective bargaining. The pressing questions to be taken up, of course, are those relating to wages and hours. It immediately became apparent that a research bureau, such as Mr. Kendall has spoken of in the printing industry, was absolutely essential in the clothing industry, and I am pleased to be able to say that a few days ago in New York the President of the Amalgamated Clothing Workers told me that he and his organization recognized the importance of such a research bureau, and were willing to aid in its formation and bear their share of its expense. Its object will be not only to make investigations as to prevailing rates of wages and living conditions, and the relation between the two, but to make a scientific study of the clothing industry with the idea of broadening its field, studying its possible markets, and going into all the different branches of the industry on which useful information is necessary for both the manufacturers and the workers themselves.

The situation in the clothing industry up to the present time has been almost chaotic. The union has recognized the fact that it is just as bad for its organization as for anyone else not to have some common standards to work by.

The union organization has also come out flat-footed with the statement that it stands for anything which will increase the efficiency of the worker and for anything that will increase production.

Now, gentlemen, when any organization of workers comes to you with a proposition of that kind, and is willing to stand on those principles with you, you have a very solid basis to build on. I know that these people mean what they say. Those of us who are interested in the production end find that as long as we are prepared to deal fairly and squarely with them, and lay our cards on the table, they will go along with us. I want to tell you that in the establishment in Baltimore with which I am personally connected, we have been taking up step by step with our shop chairman, matters that we did not have to take up with him; matters that by the terms of our agreement we could put into that shop whether he wanted them or not. But we have discussed these matters with him before introducing them. We have not merely asked for approval of them, but have discussed the value of suggested methods, and until they were convinced that the innovations would result in great benefit to the workers we have withheld their introduction; and we have assurance from them that they will coöperate with us in standards of production and methods which will increase productivity.

Since the war we have come into an entirely different era. I have heard references—I think Mr. Frankfurter made such a reference—to the fact that we have been fighting a war against autocracy, and that the war had been won on that basis. It seems to me that, to those of us who are interested in industry, there is a great lesson in this war. I think we have got to look inside a good deal. How really democratic are we and how democratic are we prepared to make industry? There are tremendous possibilities for the members of this Society, knowing production as they do, knowing industry as they do, to step in and align themselves with this movement for collective action which I hope and believe is going to result, in this industry, in bringing about a condition that will put the labor situation and the whole industrial relations situation, one good step forward.

IV. IN THE ARSENALS OF THE ORDNANCE DEPARTMENT, U. S. A.

Otto S. Beyer, Jr.

I am a little bit sorry that it is not quite possible for me to speak with all the freedom with which I should like. The relations between workers and management, which is in a state of development in the Government arsenals at the present time, is not quite as well crystalized as we hoped it would be when I expected to come up here. For that reason it is thought advisable, perhaps, not to dwell too much in particular on the things thus far accomplished. There has been a good deal of distorted publicity about these developments which have caused us some embarrassment.

If I may do so, however, I should like to speak more from my personal viewpoint and from the standpoint of the personal experience which I have gathered in having to do with the development of industrial relations in these Government institutions.

Before I launch upon that subject specifically, I should like to say a word or two about my conception of so-called industrial relations and of the developments which we are witnessing all over the world today. We hear a good deal about the Whitley Councils, a good deal about things that have been done by the International Harvester Company, by the Midvale Steel Company, the Bethlehem Steel Company, and by others. In my estimation there is just one weakness in all these, and that is that they do not come exactly from the source which is supposed to benefit by them—namely, the workers themselves.

The situation has resulted more or less in kinds of organizations which attempt to fill in administrative gaps by the more or less arbitrary creation of committees for the purpose of settling industrial questions which affect our manufacturing institutions. Now, committees are by no means the last answer. The thing at stake is very much more vital and fundamental than to permit of its solution by the injection of more administrative machinery than already exists. The important thing in my estimation is to bring about a realization on the part of the workers of their responsibility towards the industry. That reduces the whole proposition very largely to a matter of technique.

It so happens that in the Government arsenals, as in fact in practically all Governmental institutions, the workers are relatively highly developed as far as their trade abilities are concerned. The Civil Service has seen to that. The men who are in these arsenals, in the Post Office Department, and in other institutions of that kind, in the Railway Administration and the Navy Yards, are men who have gotten there by a process of selection which is rather rigid. In addition to that, the Government has had no objection to the men's organizing. While, of course, it has not recognized the closed shop in any sense of the word, and proposes not to do so, nevertheless it does deal with organized labor, and I think very much to the good of the things which the Government is trying to do in its institutions.

In attempting to get true and genuine relations established between workers and management it is important to find a motive, a nucleus around which these relations can be developed. In the Government arsenals that nucleus turned out to be the stability of employment of the workers. During the war the arsenals were greatly expanded, the number of employees having grown from 8,000 to something like 34,000. When the war stopped, the matter of permanency of employment became very important to these men, and of course they became interested and wanted to know what they could do in order to insure the permanency of their employment. During the war, however, the appeal to patriotism, the necessity of production to win the war, had gotten over some very fundamental ideas. These men learned their lessons and profited by them very wholesomely.

I am not going to transgress upon the remarks of Mr. Cornick, who is to speak this evening, because I believe what he will say with respect to the feeling of the workers on this subject will probably come with a great deal more conviction, for he is their personal representative. I do wish to emphasize, however, this very important thing, and that is that under no conditions is it conceivable that improved relations can be brought about or developed unless the men have something which is very fundamental to their welfare recognized in the attempt to bring about these improved relations.