

THE LABOR PROBLEM IN LUMBER PRODUCTION

A Thesis

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INDEX

Part I. Introduction.....	1
Purpose of Study.....	1
Need of Basis From Which To Work.....	3
Axiomatic Laws.....	4
1. Aim of Life is Happiness.....	5
2. Perfect Social Order Presupposes	
A Perfect Man.....	6
3. Labor Problem a State of Mind.....	7
4. Discontent is a Necessity of	
Civilization.....	7
5. Men Not Created Equal.....	8
6. Work a Necessity of Life.....	8
7. No Way to Escape Wage System Unless	
All Become Capitalists.....	9
8. Natural Laws.....	10
Part II. Survey Of Labor In Lumber Production....	13
The Logging Camp.....	13
The Sawmill.....	18
Part III. Labor Problems Of The Lumber Industry..	22
Low Production Per Man.....	22
✓Antagonism Between Employer and Employee.....	26
The I.W.W. Spirit.....	38
Living Conditions.....	40
Restlessness.....	43
Moral Quality of the Men.....	45
Part IV. Labor Organization In Western Camps	
and Mills.....	49
L.L.L.L.....	49
Shop Committee Plan.....	53
Part V. A Profit Sharing Plan.....	56
Part VI. Solving the Labor Problems of Lumber	
Production.....	60
Low Production Per Man.....	60
I.W.W.....	63
Living Conditions.....	65
Restlessness and Moral Quality of the Men....	68
Conclusion.....	71

THE LABOR PROBLEM IN LUMBER PRODUCTION

PART I. INTRODUCTION

Purpose of This Study. The highest aim of social, economic or political study is to increase the happiness of the race; to find the cause and remove those things which cause suffering in any form; to secure the greatest happiness for the greatest number. Yesterday's conditions are studied that we may gain from the experience of the past. Present conditions are analyzed that we may lay a foundation for a more rational future. Forecasts are made of the future in order that its course may be guided. At the present moment the so called labor problem occupies the center of economic thought. That is to say, there is a great and growing discontent among laborers. Closely related to this is the growing dissatisfaction among employers of labor. Labor is a problem to capital and capital is a problem to labor. The machinery of industry is out of balance, and the result is decreased production. The worker is no longer content to carry the load that he has been carrying. The problem as dealt with by labor union promoters and politicians is only the surface manifestation of a deeper current. Hours, wages and

conditions of employment are important but the labor problem is the problem of life itself. Therefore it is necessary to this study that some of the basic facts of life be understood.

The labor problem in lumber production cannot be considered entirely separate from the labor problem in general. No more can the labor problem be properly considered without an adequate understanding of the facts of life. It would be folly to be so concerned with such minute details as unions, shop committee plans and all that, which may be vital as parts of the whole structure, as to miss entirely economic laws* and life principles back of all these. Any solution reached without an understanding of these laws and principles will be only a temporary makeshift or at best a lucky guess. It does not kill a weed to cut off the top. It may cause the weed to produce twice or thrice as many seeds as it would before and so cause more trouble than if it had been left alone. In dealing with labor superficiality is the one thing most to be avoided. The laboring man in the mass is as explosive

*Definition of economic law. From Principles of Economics, Seligman. "An economic law is a natural law so far as it states that given conditions will lead to given results. An economic law is not a natural law so far as it implies that human effort is impotent to modify the conditions which lead to the results."

as TNT. It is a serious matter to deal with either one. There is much discussion of this question that leads nowhere. It is simply the reiteration of a sick man's woes. Every serious minded person knows that there is a labor problem and that it is a peril to the health of civilization. The need is for a remedy that will penetrate to the very roots of our economic order and produced a measure of harmony between labor and capital. There are already too many poltices used as local applications. The need is to go to the bottom and deal with the sources from which the labor problem has sprung. As an introductory measure to the treatment of the labor problem in lumber production the following paragraphs of this Introduction are an attempt to penetrate to first principles.

The Need of a Base from which to Work. When facing a problem with intent to find the solution it is necessary to have at least one axiomatic principle upon which to base the solution. How difficult Geometry would be if parallel lines met when ever they pleased to do so. How baffling Chemistry would be if matter was destructable once in while. The world is not constructed according to any such plan or lack of plan; there is law and order and cause and effect in nature. It is not to be supposed that men ahve grasped the whole truth of Nature's system yet but there are many facts that are reasonably certain as we understand them.

Axiomatic Laws. Briefly summarised some of these axiomatic natural laws* that apply to our problem are:

1. The aim of life is happiness.
2. The perfect social order presupposes the perfect man.
3. The labor problem is state of mind.**
4. Discontent a necessity of civilization.
5. Men are not created equal.
6. Work is a necessity of life.

*In one point, however, the laws of all the social sciences do differ from those of natural science. The social sciences deal with man, and man is himself a continually changing factor. Man is a product of history; economic institutions, like all other social facts, have their roots in the past. What is, is the outcome of what has been. With every mutation in outward conditions and social relations there comes a change in the economic facts or in the methods devised to secure adaptation of means to end. Nothing is so rare as the historical perspective; nothing so difficult to realize as the reitivity of existing institutions. At one stage of scientific inquiry, for instance, it was assumed that private property was a natural phenomenon, an outcome of the very nature of man. It is now seen that private property is not an absolute, but an historical category; that the conception itself was of slow growth, and that its content varies from age to age. What is true of private property is true of almost every other economic institution. It has grown to be what it is; it has once been different and will again be different. While there is life there will be change." "Principles of Economics", Seligman.

**"The Solution of the Labor Problem", J. Laurence Laughlin, Scribner's Magazine, March 1920.

7. There is no way to escape a wage system until all become capitalists.

8. Natural laws are as potent in the most highly developed society as in the wildest jungle.

Some of these laws are:

- a. Survival of the fittest.
- b. Self preservation.
- c. Desire for power.
- d. Fear.

It is not within the scope of this paper to give an extended treatment of these principles but to show where they apply in the solution of the problem. However a few words of explanation will not come in amiss for each one.

1. The Aim of Life is Happiness. This is one of the basic axioms of philosophy and so far as we know was first propounded by early Greek men of learning. This summation of life may not be liked but it is hard to get around. If the aim is not happiness, what then is it? This aim may not be realized in my life or your life or a nation's life but none the less it is the aim of all life. Not happiness in the narrow realm of sense pleasure but in the broader meaning of happiness that a little reflection will make clear. Some of the happiest people that ever lived were those who sacrificed their lives for others. It is what the soul of

every man, woman and child on the face of the earth craves. If you are happy do you not have everything?

3. The Perfect Social Order Presupposes the Perfect Man. A crooked man does not build a straight wall. Human institutions are built upon human character and they partake of the character of the men who build them. Therefore, these institutions, for instance, governments, churches, corporations, unions, monopolistic combines and charitable organizations, are all subject to the whole scale of human qualities and human strength and weakness and nobility and depravity. There never has been a perfect institution because there never has been a perfect man to produce it. There are some that are very exemplary and these have had exemplary men behind them. It is as ridiculous to say that any institution is perfect as it is to say that man is perfect. So after all the vital thing is not the form of the institution. The vital thing is the character of the men who control. A government administered by an absolute monarch has many advantages over our cumbersome democracies but where can a man be found equal to the position? Instead we have the democratic form of control in which so many take part that there is an opportunity for justice to rule if justice is in the majority. It is the average citizen that makes or breaks a democracy. To repeat the original proposition-- the perfect social order presupposes the perfect man.

3. The Labor Problem is a State of Mind.

Since the dawn of civilization there has always been a labor problem and there is no reason to suppose that it will ever cease to exist. Tomorrow is always the Utopia. The labor problem as such is a phenomenon of modern life. It is as natural that there should be a conflict between labor and capital as it is that a man should be hungry or cold. There is an amount of struggle and discontent and pain that seems to be coexistent with life itself. We approach nearest to the ideal when there are enough good and pleasurable things to offset the bad and painful things. Life then is a balance that may or may not be in equilibrium. The labor problem is a matter of relative values. The laboring man of today has a standard of living that the man of half a century ago would have called luxurious. To say that the labor problem is a state of mind is a mild way of stating that the labor problem has no ultimate solution.

4. Discontent is a Necessity of Civilization.

That is certainly axiomatic. Civilization is the result of progress and it is progress, conscious evolution if you choose to call it that. Without discontent there could be no progress. No man would ever move if he had everything he desired beside him. Certain savage tribes in tropical climates, where living is very easy, have reached a state of comparative content. They make no

advances. They live the life of their ancestors. There is stagnation in their mental development. Such content we call degeneracy. On the other hand, the races living in the temperate zone, where the rigors of climate have been the cause of discomfort and discontent and a spur to achievement, these races have carried civilization to its present development. Discontent is not a by-product of civilization but the cause of civilization.

5. Men Are Not Created Equal. Nature's law of variation applies here as infallably as it applies to all other objects of creation. Men are not equal in health, not even equal in capacity for good health. Men are not equal in mental endowments. Edison and John Jones are not of the same mental caliber. Men are not equal in opportunity for they enter the world at different elevations. There is a corollary to this axiom: even if it were desirable to make men equal, it is not possible. Nature cannot be changed.

6. Work a Necessity of Life. To secure the bare necessities, food, shelter and clothing, requires effort. Even among the most primitive peoples and in the tropics where these essentials can be taken almost directly from nature there is a measure of effort. The more provident a people are of the future the more effort it requires to secure these things. Fields must be tilled, herds watched, houses built, cloth woven, and food stored

for the unfruitful seasons. In a great civilization like ours these activities are so numerously divided into almost countless specializations that the individual workman often loses sight of the fact that he is securing one of life's necessities. Work is the doing of something that may or may not be pleasurable in itself in order to secure that which is considered necessary in order to live. A man will work for wages because the wages will buy him what he wants. In primitive society a man is working directly for what he desires, in modern times he seldom does so. Work is a necessity of life because it secures those things that make life possible. If nature cannot produce enough to satisfy all of man's needs man must produce to satisfy his own needs. Work is a manifestation of intelligence. As we live today it is the very first law in the foundation of society. Some must work else all will starve. Work is effort and without effort the human animal cannot live.

7. There is no Way to Escape the Wage System Unless All Become Capitalists. Among savages all men are capitalists. Each man secures the things that satisfy his wants or he goes without. When everything is free for the getting and a man uses only his own goods there can be no talk of capital and labor. The distinction does not exist. Today certain extremists say that the wage system is fundamentall wrong and that it must be

abolished. It would be just as sensible to question the ethics of the fact that men must work to keep from starving. The fact remains a fact whatever the ethics may be. Unless a man can produce for all his requirements he must pay others to produce for him.

8. Natural Laws are as Potent in the Most Highly Developed Society as in the Wildest Jungle.

When a boy reads his first books of travel and nature study he finds that much is said about "going back to Nature". The natural life--"God's country"-- and all that. From much reading of such texture it may come to be his belief that it is unnatural for people to live in houses and cities and have governments, that it is unnatural to have books and schools and colleges. He may feel tempted to throw all these things aside and try to return to the natural state. Such reasoning as the boy has been listening to is false.

Emerson makes the statement that it is just as natural for men to live in cities as it is to live the life of a nomad. Man is as much a part of nature as the wind, the rain and the sunshine. All answer to Nature's laws. Men have come to live in cities and all the rest because there were strong natural forces operating in that direction. There is a "how" and a "why" of every life. There is reason in every life. The course of every life is the resultant of many forces. Our distinctions as to artificial and natural in

modern civilization are fictitious in the extreme. Modern institutions are a perfectly natural result of forces that have been operating among human beings for centuries. Nature is as potent in the drawing room as in the forest.

Some of the forces that mold society are:

- a. Survival of the fittest.
- b. Self preservation.
- c. Desire for power.
- d. Pride.
- e. Love.
- f. Fear.
- g. Hate.
- h. Inertia.
- i. Environment.
- j. Imagination.

This Introduction has failed if it has not made apparent the need of knowing the first principles before one can hope to grasp, with a strangle hold, a problem of life like the labor problem or the labor problem in lumber production. It is necessary to know why there is a labor problem before a remedy can be sought. It is necessary to know what the constants in the problem are before an analysis of the problem itself is begun. It is becoming more evident every day that to give labor more pay and shorter hours does not solve the

labor problem. These are the things the men demand and want and clamor for but there must be something deeper.

PART II. SURVEY OF LABOR IN LUMBER PRODUCTION

Two Divisions. The production of lumber is divided into two processes, namely, logging and milling. That these two processes are distinct and separate, especially in the West, is apparent to any one acquainted with the industry. Woods labor and mill labor are two distinct types.

The Logging Camp. Logging can be classed as one of the most elemental of modern industries. By elemental it is meant that man is pitted directly against nature. The virgin forests are far from cities and oftentimes in mountain fastnesses; and wind and rain and snow and topography and isolation must all be met and defeated before the logs can be started on their journey to the mill. The logging camp has the qualities of those construction camps that were typical of the building of the great railroads across the continent and over the Rockies and Cascades. It savors of an army camp, for it is a serious fight this battle with nature. Discipline is strict, if informal. Because of its isolation it is a little state. Yet there is a bigness and a freshness and a freedom that will forever differentiate the logging camp from any other form of

industrial enterprise. This battle with elemental forces requires men with natures akin to the spirit of the forest. They are strong men, men physically above the average, with a lust for this arduous work that is beset by all manner of perils. The fighting blood of the world meets in the logging camps of the Northwest and when they level the forest and humble the giants of centuries, they are answering the call of their ancestors. Scandinavians with the hot blood of the Vikings urging them on; working with them are Anglo-Saxons restless with strength. In no other work of our day is a man quite so much a man as in the work of harvesting the forest.

Camp Quarters. The typical logging camp of the present time is made up of buildings about the size of an ordinary box car except that in most cases they are only half as long. These buildings can be loaded on flat cars when it comes time to move camp. When a camp is formed these ~~the~~ buildings are arranged along the railroad track or spurs. The majority are bunk houses, sleeping quarters for the men, and these are kept separate, usually on one side of the track. Then there is an office and commissary, separate houses for the boss and married men and the cook shack. Naturally this last is the center of the camp. It is the largest building and is commonly made in sections in order that it may be moved on flat cars also. Many cook shacks have a

kitchen that would do credit to a modern hotel. Zinc covered tables, large sinks with hot and cold water, large ranges, good ventilation, separate bake room and meat house and storeroom and good arrangement of the whole--all these things may be found in the camps having the best cooks. No camp is complete without a blacksmith shop, a tool repair shop and a filer's shack. Such are the buildings of the typical camp. They are commonly built of rough lumber and never painted. Some of the more progressive companies make the shacks out of fairly good dressed lumber and paint them a light lead color so that a camp presents a very neat appearance. There are, however, wide variations in camps. In some the shacks of rough lumber are permanent in the sense that they are never moved. Some camps are built on cars and moved from place to place.

Bunk Houses. Two bunk houses can usually be loaded on one car. Such a "house" will accommodate six men. The company furnishes steel or wood bunks and the mattresses and also a stove and a lamp, perhaps. Most bunk houses are innocent of any other furniture unless one were to consider a chance box or two. Until very recently it has been the custom for each man to carry his roll of bedding. Some companies have lately been furnishing bedding and better bunk house care thruout. A small charge is made for this service. Ordinarily

no charge is made for bunk house use. It is the duty of a bull cook to sweep out these houses, supply wood, supply oil for lamps and if the camp does not have a bath house and washing center he must carry water to each house. These are the quarters in which the men live.

A word as to some of the camp's miscellaneous equipment. The cook shack is usually well equipped with running water of sufficient pressure to be of use in case of fire. In the dining room rough tables, fixed benches for seats, oilcloth table covers and enamel ware are the common equipment. Another feature of the camp is the office with its telephone and in many cases the office is commissary as well. Tobacco, candy, soft drinks, gloves and clothing are commonly handled here. The only livestock kept in or near camp are pigs to eat the refuse from the cook shack. One camp of 150 men raised pork to the value of \$1500 in a single season without importing a pound of feed.

Section Gangs. The section gangs, so necessary in railroad logging, are made up of men from Southern Europe and they are usually kept in separate camps and have an entirely different mode of living.

Characteristics of the Men. An idea of what the men themselves are like can be gained from the following tabulation which is the result of careful observation in one camp of 200 men, checked by general observation.

1. The Small Amount of Mail. The men do not write or receive letters. This applies to the typical woodsman who has followed the game for a long period. The young fellows that come from the farm and from the city may or may prove to be an exception. All the men are so free from ties of any kind that they send out or receive very little mail.

2. Few Newspapers Are Received in Camp. There may be almost as many papers in foreign languages as in English.

3. Following from the above, there is no very keen interest in political affairs as such.

4. Absence of literature of almost every kind and especially the lack of anything but the most trashy and yellow.

5. Some marked exceptions to the above points.

6. Strong Camp Spirit Lacking. Where the weekly turnover of men is large this is very true.

7. There is very little doing in camp except work, meals and sleep. The things the men talk about and live for are nearly all "outside."

8. Sunday Work. The men would rather work on Sunday than be bored by trying to amuse themselves around camp.

9. Gambling is Common.

10. Moonshine is not unknown.

11. Men are Fussy About Their Meals. They are

extremely particular about the way the food is prepared. Their points of contention may not be in harmony with scientific practice in cooking but they know what they want and they will not be still until they get it.

12. Palates Are calloused. Foods must be highly seasoned to penetrate to palates made unsensitive by the use of tobacco.

13. The men have pride in their personal appearance and for the most part keep themselves clean and fit.

14. The men use their imaginations and develop them to a high degree in the telling of stories of their experiences.

In Conclusion. Let the above suffice for a picture of logging camp life on the West Coast. There are many variations. Some very large logging operations are carried on from a small city or village as a base and the men live in hotels and boarding houses or have their own homes. However the majority of large logging enterprises are carried on with independent camps and often these camps are thirty miles or more from the nearest city or town.

Second Division, the Sawmill. The sawmill is the center of the other side of the lumber industry. It is a manufacturing plant and the men who work there are very largely machine tenders. The handling of the lumber in the yard, piling, sorting and loading of cars is almost

entirely hand work, but for the most part mill work consists in controlling and feeding machines and taking away the product of the machines. It is monotonous, routine work consisting in doing over and over again the same movements in an atmosphere of wood dust and deafening noise.

Comparison of the Workers. Mill hands are of a lower average physically than are the loggers--there are more old men and boys in the mill and in the yards. There is not the unmistakable stamp of a rugged outdoor life. Both are likely to be about equal in showing a familiarity with the more vicious aspects of civilization. However, since the mills are most generally located in towns and cities of fair size, there are in sawmills far more men with homes and families than in the logging camps. The mill worker, especially those whose work requires ^{more} skill and dependability than does just common labor, are very likely to be of a good clean American type with ideals of citizenship that are of the best. It is the common labor around a mill that makes or breaks the operator. The monthly turnover of such labor may be more than fifty percent.

Where The Men Live. Living conditions for men who have no families or who have not the taste to seek better surroundings are scarcely better for mill hands than for loggers. They may not be nearly so good where direct comparisons are made. The fact

that the sawmill is in a large city does not change the situation. And the large mill in the small town has the least advantage of all.

The men working in town are where they can satisfy their lustful appetites anytime they please. They can work all day and live bad all night. Here again the woods brother has an advantage. While he is at work in the woods the isolation forces him to abstain from bad living; once in a while he takes his stake and goes out on a grand spree. The one drains his physical powers to the limit all the time, the other only at the end of intervals.

It would be folly to attempt to picture the living quarters of the single man around a sawmill. A really typical case cannot be found. The company hotel, the bunk house, the private hotel, the boarding house and all the rest are what this man calls home. In many cases the family man fares but little if any better. The houses may be poor and sewerage and other sanitary conditions bad. Sawmill men seem to agree~~x~~ that the most serious problems with mill labor originate not with the family men but with the foot free men that have nothing to lose when a fight is waged.

Sawmill labor may be closely linked up with other factory labor in a given locality so that the problems that confront the one will confront the other. These men, except the more skilled workers, do not

follow sawmilling exclusively. A common laborer in the yard is just a common laborer. In a years time he may have part in a dozen or more forms of work. On the other hand, skilled workers, foremen, sawyers, filers, and mechanics, more commonly follow sawmilling exclusively altho they may move frequently. The woods worker will seldom take work at the mill. He despises the work and the worker. They are not of one fraternity.

Conclusion, Part II. This brief survey of the men in sawmill and woods operations could have been made very much more to the point if the following data could have been secured as a base on which to work.

1. Literacy of men in camp and mill.
2. Citizenship " " " " "
3. Nationality " " " " "
4. Number of family men in camp and mill.
5. Life histories of typical men.

The above is included as showing the possibility of future study.

PART III. LABOR PROBLEMS OF THE LUMBER
INDUSTRY

1. Low Production Per Man. There is no more alarming problem in the lumber manufacturing business today than the problem of the low production per man. This statement applies with equal force to logging and milling. In the South it is a big added item of cost per unit of production and has received much discussion. Production per man when it is said to be low is compared to a standard. That is clear; if there were no standard it could be neither high nor low. Today, past performance is taken as the standard. If in the past, 100 men could turn out 10,000 feet per hour at the mill, it may take 125 men at the mill to turn out 10,000 feet today. This is the only true basis for comparison. In this connection it would not be scientific to compare the output of 100 men on a ten-hour shift to the output of 125 men on a eight-hour shift. Such a comparison might be valid if made for other reasons.

Short hours and changes in the standard of living undoubtedly play a part in the low production that confronts the industry. A man cannot do as much

routine work in 8 hours as was formerly done in 10 hours except under the most favorable circumstances. The question boils down to this: Taking into consideration the value of the dollar today in terms of buying power, does a logging or milling concern get as much today on the labor market for that dollar as it did formerly? If the present dollar is worth 40 cents, does it purchase 40 cents' worth of labor?

These are hard questions to answer squarely. When the operators of today pay \$6 for a day's work where formerly \$2.75 was a good wage for longer hours, they are very prone to believe that they are paying too much for what they are getting. That is human nature. It is hard to shake off the old standards. So in getting evidence on this point it is hard to get sound opinion. And if one were to undertake the task of deciding just how much a man should do for a day's work--the water is very deep and not very clear.

Economic changes have been so rapid in the last decade as to put out of equilibrium wages and value of product for the various industries. The millman, in order to hold men, may be paying on a par with other industries while the price of his product, lumber, may not have advanced in proportion to the average advance in prices. It is a fact that the price of lumber did advance less than the price of most all other commodities. The demand, brought about by

the war, for labor of all kinds forced the market up and the lumberman in order to operate at all was forced to pay the advance price when he could ill afford to do so. When there was included in this situation, a low amount of production per man, the lumberman was faced with a most serious problem.

Concrete Example of Problem. Suppose that laws of supply and demand were all equalized and that the level of prices stood at 100 in 1913. Wages were then \$4 per day for equal work in different industries. The product of all industries was selling at 100. In 1920 the per unit value of steel has advanced to 200 and other products likewise. Suppose that lumber is still selling at 100. Owing to the demands of the labor market, loggers and millmen raise their wages to a level with that paid in other industries and so they pay \$8 per day in 1920. If our case is correct, is not the logger paying for labor just twice what the steelman is paying? The steelman is paying \$8 per unit of work on a product that is worth twice as much. The price of his product and the cost of his labor have kept a balance. The millman and logger is paying \$8 per unit of work on a product that has not advanced in price. The price of his product and the cost of his labor do not balance. And he will pay just double for low production what the steelman pays.

Another Example. In 1913 100 men at a mill were paid an average of \$3 per day and turned out a daily product of 20,000 feet, worth on an average \$30 per M. Total daily pay roll, \$300; value of product \$600. In 1919 100 men at a mill were paid \$5 per day and turned out the same amount and the value of the product was \$35 per M. Total daily pay roll \$500; value of product \$700. Cost for wages advanced \$200 while value of product only advanced \$100 per day. These figures are only relatively correct but they describe a very real condition that has confronted the lumberman. How is the millman to figure a profit if added to the high wages he gets less performance per unit man?

To meet the problem the first thing the employer must know is how much should a man do for a days work. Perhaps, formerly, under the pressure of long hours and low wages he did more than a man could and still have his proper amount of health and happiness and function properly as a man and a citizen. Undoubtedly our standards in these things have changed with our money standard. If one man produces less today than was produced five years ago this fact should be known and met face to face. The workers make their demands, it is time that the employers found out what are their rights and demanded them. A standard fair days work should be fixed and it should be enforced as strictly as the workers enforce their demands.

2. Antagonism Between Employer and Employee.

There is in the industrial world of today a very apparent gap between capital, as the employer of labor, and the worker and receiver of wages. Labor takes the attitude that the employer is unfair, selfish and inhuman. The workers react to this attitude in various ways. First of all, they do not feel bound to serve fairly and honestly and unselfishly the employers whom they hold as a class to be unfair, dishonest and selfish. Again, in making demands upon capital for higher wages by means of strikes and the like they treat the employers as an enemy that merits no quarter and with whom they can conceive of no lasting peace. Entirely separate from the justice or injustice of such an attitude it must be stated that this is the attitude of labor today. The demands of capital are always wrong, labor is always right. The worker the downtrodden slave, the employer the opulent master. This antagonism is deep rooted in the masses today and in every industry it is one of the basic labor problems.

Of What is This Antagonism composed? That this antagonism does exist will not be questioned. It is more to our purpose to take it apart and see of what it is made. If one stops with the statement that it exists that leads nowhere. There are five things that we should know of this antagonism:

- A. What it is.
- B. Causes.
- C. Grievances, real or faciful?
- D. Various forms.
- E. Effect on the industry.

A. What It Is. It is the opposite of co-operation. Labor and capital is a team that does not pull together. They should pull together because they have the same ends in view, first, subsistence or self-preservation and second, production and production is the means to the first end. The team produces that all may subsist. It is as necessary that there should be production today as it was in savage tribes vital that the individual should produce or secure the necessities of life. One has only to visulize the social order of today to see that self-preservation and production are inseperable. In this aim capital and labor are identical.

The means to the end are very different. Capital forms great and small organizations and pays labor to do work. Labor sells to capital. Capital sells commodities. They are equally producers but their place in the scheme is so different that the very serious conflict with which we are dealing has arisen. The antagonism is a misunderstanding. Labor does not see that both capital and labor are the necessary elements in the team of production. It is familiar labor cry that capital be done away with--that labor is all sufficient. Co-oper-

ation between two parties, implies that they are working together for some purpose. That labor and capital must work together in production is true but the trend of recent demands of labor make it equally true that labor and capital are not working together in a co-operative manner.

The laborers feel, and the feeling may or it may not be justifiable, that capital is in a position of strength while labor is at the mercy of capital. Labor organizations are all a result of this feeling. Labor organizes in order to be in a position to meet strength with strength and bargain with capital on a footing of equality. To this extent the antagonism has brot forth good fruit and if it stopped there it would not be the problem that it is today. Once the laboring masses have organized and become a power where are they to stop? This organization of an antagonism has led to excesses that have harassed capital, torn down co-operation, magnified injustice and decreased production. It has changed an honest worker who tried to do an honest days work for what was in the labor market an honest days pay into the worker who goes at his work half-heartedly and does as little as possible for the largest wage that he can secure. This worker holds that capital is morally wrong and that any measure is for him

morally right. It takes very little imagination to translate this attitude into terms of production and see what it means for industry and finally for those who consume the products of industry even to the very workers themselves.

B. Causes. The most widely accepted cause of the antagonism is the real injustice capital worked on labor in the early days of industrial growth before the time of labor organization and labor strength. It is a reaction. The pendulum is swinging the other way now. Capital is reaping some of the wild oats that were sown in its youth. Capital should have led where now it is following. Had capital always been as considerate as to hours, working conditions, safety, child labor and wages as it is forced to be now it is safe to say that the present animosity of labor would be nearly impossible. In the past capital ruled with a high hand and labor fought a lone battle. Today the laborers have nearly a balance of strength and the temptation is to exterminate the enemy.

C. Grievances, real or fanciful? The laborer sitting on a lumber pile eating his dinner with his fellows is likely to imagine that his employer is making far more money than he is. He sees profit in terms of gross income. In doing this he is looking at the sale value of the finished product and comparing

this value to the labor cost of its production. All other costs are skipped or are considered of small account. For instance, the worker at a saw-mill will say that the company is selling flooring for \$90. This looks big to him when he figures that the labor cost is about \$30. To him the intervening \$50 looks like clear velvet for the employer and he is easily led to believe that the worker is not getting a fair share. Being untrained in business he cannot appreciate the other costs. Depreciation in logging and milling equipment is a closed book to him. Insurance, risk, miscellaneous costs of operation, tools, etc., bad accounts, selling costs, advertising, low margin of profit on low grades, losses incurred during times of business depression, office expenses, supervision, inspection, interest on investment--the worker is prone to minimize these items of cost because he cannot understand them. He has never handled money in that way. The grievance against the company is in this case entirely fanciful.

Hand workers are prone to feel that their employers do not work; that the hand workers job is the hardest. Indeed, agitators always fall back on this argument when they wish to stir up the antagonism of labor to capital. This is one of the points of greatest misunderstanding. Employers are party to the same injustice when they consider their labor as being less

human than themselves. But to return to the first issue. The employer and his executive can keep no fine distinctions as to hours, their work and worry is never done. The worker with an eight-hour day, accident insurance, and a reasonable chance for continuous employment is much more free than the executive. The worker forgets his work when the whistle blows; the executive must work under high pressure under all conditions and at all hours.

In our world incomes are determined not by working out the equity of each case but incomes are determined by the unguided operation of the law of supply and demand. If there were as few men who can swing a pick as there are that can manage a railroad, then the man swinging the pick would get the pay of the railroad president and visa versa. When the workers have a grievance, however real, against the law of supply and demand they are up against a stone wall.

Labor has had, and does still have, some very real grievances against capital and employers as a class. Economic pressure has often forced employers to put the pressure on the workers. Long hours and unsanitary working conditions were brot about not because the employer was deliberately unjust or inhuman or unsympathetic but because economic conditions demanded them in order that a business might stand the stress of national and international competition.

Hence, the very real grievance that the workers held because of long hours and poor consideration were directed too directly against the employer. That was in most cases the truth. However, there are always employers who are willing to deliberately enslave and degrade their employees for the sake of profit. Toward these the worker is justified in showing no quarter. The most equitable grievance that the workers can have as a basis of their antagonism is this: When an employer has no good business reason why he cannot shorten hours, improve conditions or raise wages and fails to do so. In other words, if a body of workers feel that they are working for a man who is making more from their labor than the business practice of the times warrants and is treating them less fairly than the spirit of the times calls for, then they are justified to use means to bring the employer to proper terms. The individual employees cannot claim a grievance against the individual employer who treats them according to the practice of the times, the grievance is against the spirit of the times. If the workers wish to demand something that is not yet recognised as being their due their antagonism toward the individual employer is unjust. He is no more to blame than anyone else. Thus real grievances may be fanciful when focused on any one employer.

The workers in John Jones' logging camp may demand three days of vacation out of each month with pay. They are the first to make such a demand.

John Jones refuses and the men say that John Jones is unfair. It may be all right that three days with pay each month should be allowed men in logging camps but John Jones is only one of the many men in the industry whose opinion must be changed before it will be accepted. There must be a consideration in it for them. Simply because the workers demand it is not reason enough.

In conclusion let it be said that labor has some very real grievances against capital (and capital against labor) but many so called grievances are fanciful, greatly magnified or sentimental. The worker of average intelligence and education is very prone to see his own cause loom very large and the cause of capital in small proportions or not at all.

D. Various Forms. Several of the forms of this antagonism have already been mentioned. A misunderstanding on the part of the worker of the interdependence of capital and labor is one. Another form is found where quitting on the job is practised. Whenever labor makes demands of capital that are destructive to industry the antagonism is manifest. The I.W.W. movement, the continual shifting of workers, both of these show that employers and employees have not met on common ground. The employees think of the employer as one on whom they have a right to prey. To this end they waste his time and money by wasting the time for which they are being

paid. They waste the goods that they are producing. Indeed, this antagonism is found expressed in so many forms that it would take volumes to record them all. When Steve Anderson stretches himself out in the shade of the lumber that he is supposed to be piling and takes a nap on company time he is a fair example of how a great mass of workers regard the rights of the employer.

E. Effect On The Industry. No football coach could ever turn out a winning team without the loyal support of every man on the team. It is loyalty that makes men meet victory and defeat alike, with a smile. Industry is dependent upon labor. The sawmill man and the logger are dependent upon labor. Men are paid wages to do the work that capital alone could never do. But no amount of money can buy a man's loyalty. He either gives it or he doesn't. Sometimes money may indirectly insure loyalty but simply because a man is paid a good wage for a given work does not secure loyalty. The man who is able to force his employer to give him almost anything that he will demand comes to despise that same employer and men are seldom loyal to those whom they do not honor. The antagonism mentioned in the paragraphs above has robbed industry of the loyalty of the workers and the effects have become serious. Once that loyalty was lost, higher wages, recognition of unions,

fair treatment and all the rest have failed to bring it back. It is not the purpose to show here whose fault it was that this condition has been brot about. There are two very marked sides to the question; capital on one side and labor on the other. It is within our purpose to show the effect of this antagonism and the loss of loyalty on the lumber industry.

Workers have an Interest in Employers Business. If a man owning a sawmill is employing 100 men and paying them an average of \$5 per day they have an interest to the extent of \$500 daily in his business. They are directly concerned that this man, as a part of a big industry, shall make enough to pay them the \$500 per day and carry on the business. More than 60% of the value of lumber is paid to labor. Labor then has an interest to the extent of 60% in the lumber industry. But this is not the attitude taken as any one who has worked around a sawmill will know. The employers interests are not our interests seems to be the sentiment. What does such an attitude cost the millman employing the 100 men? It is a fact that men that have no interest in their work other than a wage interest are for the most part inefficient workers.

How It Works Out at the Mill. The writer had opportunity to see how this antagonism works out while

working at a mill during the summer of 1919. Working on the sorting table of a mill cutting about 100,000 feet per 8-hour day. The lumber comes from the trimmer saws, down a chute, is spread across chains 150 feet in length, is graded and men along the side of the table pull it off and place it on trucks. Each grade and length on a separate truck. Eight men were assigned to work on this table. One to grade and mark, one to pull on to the resaw belt, two for small timbers and local orders, two for dimension and two for clears and boards. These men had their trucks grouped so that they could receive all the lumber that was for them without moving very far along the table.

On days when the run of sizes and grades was even, dimension and small timbers and other material about equal in quantity, there was little apparent need for cooperation and interest in the work. When, however, the mill had a rush order for 2x4's so that every log that went thru the head rig and the resaw was cut principally into 2x4's of the shorter lengths the need for a little efficiency on the table was very apparent. Did the men ever get together and figure out how they could best receive such a deluge and get it all on to the trucks? Absolutely, no. The two men who handled dimension would take off what they could while the rest made like they were very busy about something

else. If the boss was in sight they would pull off some of the extra lumber but with no interest and often a bad grace. The result was that a large part of the 2x4's would go out to the end of the chains and make a grand jam there (even breaking the chains and stopping the whole mill a time or two). This jam had to be cleaned up by men from the yard or by the chainmen on over time. Sizes and grades would get all mixed up at the end of the chains and so, much extra handling was necessary. All these things added together delayed the special order and made extra costs.

After many days of watching estimating it was my opinion that six men who worked together, with an interest in doing the work right and with an intelligent eye to the best interest of the employer, could do the work of the eight men better than the eight men were doing it. Take it all thru they would not have to work any harder than the eight men either. If the man on one side of the table is getting all the lumber and pulling it off as fast as he can while the man on the other side is sitting down talking that is not easy work for anyone for the man who is working now will return the compliment when the other fellow has a rush.

Figure what two men out of eight saved on the sorting table would mean in a month or a year and figure what it would mean to have no overtime to pay

for cleaning up or extra help to resort the lumber and you can find a very considerable saving. It would be worth while if it did nothing more than speed up orders. Instill a like efficiency thruout a mill and it would be a big item.

3. The I.W.W. Spirit. The I.W.W. as an organization is not of enough consequence to be a real problem in lumber production but the unorganised I.W.W. spirit is a very real menace. The I.W.W. have never been strong as a unit and with their present ideals of organization it is not likely that they ever will be strong. It is this very lack of an organization that will hold together that make the I.W.W. so hard a factor to deal with. Any man or any group of men may call themselves I.W.W. and proceed to act accordingly.

Just what then is I.W.W.ism? Surely the West has seen and heard enough of it. I.W.W. ism is a spirit, a reaction to modern industry. A man is an I.W.W. much as a man is a pessimist, because he is born so or he grows into it. There are certain men whom it is safe to call I.W.W. whether they ever belonged to an organization by that name or not just because of what is in their hearts. The I.W.W. is not an organization, it is a creed.

That man who believes that the wage system is all wrong, that capital is all wrong, that the both of these should be thrown on the discard and the

workers put into control and with no very definite ideas as to how it is all to come about or what the limits will be -- that man is an I.W.W. His methods of benefiting mankind are all revolutionary. He sees flaws in the industrial order (who does not?) and his only remedy is violence and swift change. His are the desperate methods of the animal held at bay and fighting the last fight. He is the unfortunate individual who has not fared well in society and has sunk to the bottom. This failure considers himself the equal of the society that has thrown him off. He would rebuild society according to his own specifications. He would pull himself up by tearing society down. Such is the I.W.W.

Revolutionary Cravings. When any considerable number of such men gather at a mill or a camp there is trouble for the employer. They make demands not only to get benefits but also in order that they may have an excuse for taking more desperate steps. They preach sabotage and quitting on the job and bolshevism not alone because they hope to benefit themselves but because they crave a revolution and excitement. The I.W.W. are destructive and the operators have learned to deal with them as they would deal with any other agent that threatened their business.

The I.W.W. cause lumbermen trouble in various ways but perhaps the most serious harm that results

from their activities is the rankling discontent that they instill in the workers. It is a disconcerting thing for a logger to find that someone has entered his camp and filled his men with a spirit which says, we will not be satisfied with anything. How is such a situation to be handled? One such agitator may rob an employer of the loyal service that is his due. If the men are discharged more than likely others of the same principles will take their place. The employer has no choice but to worry along and do the best he may.

4. Living Conditions. In few industries are the living conditions so directly controlled by the employer as in the typical logging operation. The very same statement will apply with equal force to many sawmills. We are dealing with a type of operation that requires that the employer shall take men to remote regions and house them and feed them there. Except in the more exceptional cases camps are not permanent enough to cause them to grow finally into villages. And yet, the industry itself is so permanent that there are always the camps. Construction camps, railroad or waterpower, and mining camps of many varieties may be compared to the logging camp but there are many points of difference. Mining camps as a whole are more permanent than logging camps. Water power camps are

often very much larger. And there is a different economic factor as between the contractor and the logger. An employer who has taken a contract to finish a certain unit of work, such as a dam or a railroad, for a certain lump sum is in a very different position in his relation to labor when compared to the logger who is in the game in one region permanently. The logger is a producer, the contractor is a builder. The logger must treat his men in such a way that they will be willing to work for him year in and year out.

In a city when a contractor or manufacturer or other employer hires men he does not have to concern himself with what they eat, where they sleep and what their chance for recreation. He may as a citizen, voter and taxpayer seek to control to a certain extent the conditions under which the men he employes live but it is all very indirect and he is only one of many citizens. In the logging camp and sawmill town the conditions are very different. Except for what the men may demand and get as a result of their demands the operators control the living conditions of the workers. The operator builds the camp and then hires the men to go there and work for him.

Operator Has Direct Control. Therefore, it can be seen how directly it is that living conditions in lumber camps may bear upon labor conditions and labor problems in lumber camps. Further, it shows how

completely the operator can control conditions. The employer in the city must accept the living conditions of his men as they are and it is only by the slowest movement of public opinion, elevation of individual tastes and the use of great patience that he can hope to improve them. In this the lumberman has a great advantage. He owns the bunk houses and the bunks and may own the bedding as well. He runs the cook house. He owns the water supply system and he can control sanitary conditions. Even the doctors are his. If he wishes to change the living conditions of his men he can meet the problem right in his office and work for a direct action with all the control levers in his hands.

Within recent years a new factor has entered in to American life that has made the problem of living conditions in logging camps more of a problem than ever. That factor is prohibition. While the men could get their liquor and the stupor and the false content that it would bring they were more easily persuaded to live as beasts. The sober man is a new element in the lumber camps and the operators find that the old conditions do not appeal to him. Shorter hours have given him more leisure, prohibition has given him the chance for self-respect and introspection. These three, shorter hours, self-respect and introspection have made of him

a new man and he is demanding of the employer new conditions.

The typical logging camp, even today, is a place to eat and sleep as a necessary adjunct to work. At very few camps is adequate provision made for social life of any kind. The men take sprees to town or city to satisfy their social instincts. The men did not object to this mode of living when long hours and whiskey were the rule but with the departure of these two energy users there is an ever increasing demand or need for something in camp besides grub and bunks.

Camp Conditions present three problems.

- A. Living quarters.
- B. Food.
- C. Social life.

This being only a survey a solution of these problems will be stated in another section.

5. Restlessness. One employer states that his labor turnover on a monthly basis is 75%! Certainly this fifth problem is a big one. There is a class of men working in the camps and mills of the West known as "blanket stiffis" who are always on the move. It has become an old saying that an operator has three crews, one coming, one working and one going. This has often been very near the literal truth. Very true where crafty employment agencies have sought to make more money by

scheming to increase the labor turnover.

A very small percent of the men work for one outfit for more than one season at best and the number of men who work for only one week, two weeks or a month, is excessive and it presents a serious problem. Any operator knows that this large labor turnover is costing him money. The short term worker is inefficient, it takes a man some time to fit into his job. The men have so little to hold them in any one place that they move with the slightest provocation. There are any number of men, and not old men either, who have worked in every large camp from California to British Columbia. Some men in the course of a year work in a dozen camps in four or five states with a harvest thrown in for good measure.

Under these conditions what chance has an employer to know his men to say nothing of their knowing him? Where is that loyalty that is born when man stays by man thru thick and thin? The men cannot develop a camp pride or a camp spirit. The man who feels his feet itching all the time care very little whether or not his work is satisfactory. This restlessness, this feeling of "freedom" and irresponsibility make these men more open to the preaching of agitators, Reds and extremists of all kinds. This problem is a real one and a big one.

6. Moral Quality Of The Men. Back of all the labor problems that confront the lumber industry there is the problem of the man himself. As a man is so will he work. The employer may provide excellent living quarters, satisfactory food and take a personal interest in the men but he has not gone very deep into the solution of the labor problem until he has touched the moral fibers of the man himself. Bad treatment and illusage may cause a man's finer moral nature to be undermined very speedily but good treatment and good usage do not of themselves so speedily bring a man back into tune with things that are clean and good and worth while. The man who has the vision to see the future and the strategic points in his own time is confronted with a problem that is bigger than any we have yet considered. The man in lumber production. The low production per man, antagonism between employer and employee, I.W.W., living conditions, restlessness -- these are always kept before us; there is, however, one problem that is back of them all and may be the cause of all and that is the problem of the man.

It is not the intent of this thesis to contend that all loggers or sawmill workers are moral degenerates, or outcasts or that they all have a low standard of living. There is no reason to take any such stand. But it is apparent to any one acquainted with the men who at

present work in the woods and in the mill that they are in the main living on a lower plane morally than the average American citizen. Whether they, the employers or simply civilization is to blame is not the point here. The men are lacking in many of the finer human qualities that are necessary to civilization.

First of all, their standard of sex morality is shockingly low. These men can save enough by working thru a season at the wages they receive to make it possible to return to such centers as Portland, Tacoma, Seattle and San Francisco and live a life of pleasure the remainder of the year. They are not family men, they have no respect and honor of friends to live up to, they are without responsibility, their estimate of human life is low and they live accordingly. And a man cannot be impure to the extent of viciousness, tempt his own mental and physical degeneracy and still be a good workman or a good citizen.

What do wages buy? An operator may well pause and consider what becomes of the money he pays to his workers at the present time. How much of the man's earnings go directly to savings banks, to pay taxes, to support schools and churches, to pay for homes, to business investment, to buy articles of legitimate commerce, -in short, how much of that money buys things that builds America into a nation to make a man's

heart swell with pride? How much of the money goes directly to red light districts, gambling gangs, wasteful living and cheap amusements that could make of these United States a land of shame?

Consider a moment, is not far too large a part of the dollar the logger and mill worker receives for their work spent in ways that do not build up the community or the nation? This is a very real problem that the Western states should face. Poor indeed will these states be after the harvest of the great timber stores now standing if the men who harvest spend their money for things^{of} waste and shame.

Too large a part of the men in camps are not citizens of the U.S. Too many are ignorant of our ideals and too many have learned revolutionary ideas and destructive thinking because they were not taught the other things first.

Woods Life As A Builder Of Men. The life in the woods should produce a type of American manhood of which we could be proud, and in many cases it does produce just that type of man. He men with keen minds and clean and strong bodies who hold to a definite purpose in life with ideals and a true man's respect for womanhood. With a crew of such men think what Mr. Logging Operator could do!

It is impossible to solve the solve the problems of the logging camp and sawmill without begining at the

bottom and solving the problem of the man himself.

Why is this man out of harmony with American ideals, why is he not more of a man morally and physically -- these are the questions to be answered. The industry and the state and the nation must meet these questions and solve these problems before their can be any lasting solution to any of the problems of labor in the industry.

The perfect social order presupposes a perfect man. Corollary: A better social order presupposes a better man.

PART IV. LABOR ORGANIZATION IN WESTERN CAMPS
AND MILLS

1. The Loyal Legion of Loggers and Lumbermen.

Early in 1917 it was recognised that lumber production, airplane aprts and ship timbers in particular, would play a leading part in the winning of the war. The demand of the United States government alone for these materials was very heavy and the allies were using our supplies too. So in November 1917 the Loyal Legion of Loggers and Lumbermen was organized by General Brice P. Disque. It was a war measure and did not look to any future after the winning of the war. This organization has as its aim the joining of employers and employees into a mutual 50--50 relation that will promote the well-being of both and benefit the industry as a whole.

This organization has taken a foothold in the states of Oregon, Washington and Idaho and seems to have a permanent place in the sun so a discussion and outline of its plan cannot be out of place here.

Article one section two of the constitution sums up the objects of the association:

To maintain the basic 8-hour day.

To insue to the workman a just and equitable wage, and to the employer a maximum degree of efficiency.

To standardize working and living conditions in camps and mills.

To create a community spirit by promotion of matters pertaining to public welfare, in each community.

To encourage, when and where it is found feasible, co-operative hospitals for the care of the sick and injured, and medical attention to the families of workers.

To co-operate with the legislative bodies of the various states for the improvement of laws relative to accident insurance and the prevention of accidents.

To institute, where feasible, employment service.

To further educational and recreation facilities in camps and mills.

Both employer and employee are eligible to membership.

To promote a closer relationship between employer and employee in the lumber industry.

To provide means for the amicable adjustment, on an equitable basis, of all differences that may arise between employer and employee.

To foster personal relationship and the spirit of loyalty between the employers, their representatives and the employess.

To develop loyalty to the U.S., its laws and government, and to promote and demand proper respect for the flag.

There are two divisions, the Coast division and the Inland Empire division. These are further divided into 12 districts. The board of directors, which is the supreme body, is composed of the employees' district board chairman and the employers' district board chairman of each of the 12 districts. To quote Article IV, Section 2: "District boards for each district of the Loyal Legion shall consist of four employees, two millmen and two loggers, to be elected at the annual convention by the employee members..... and of four operators, two millmen and two loggers, selected by the employers of the district concerned."

Board of Directors, a president, matters of general import and appeals.

District Boards, a chairman, may initiate matters of general import to be sent to the board of directors and try to settle appeals from locals.

Locals, a chairman, (secretary the important officer) matters of local concern.

The men working in one camp or mill are eligible to membership in the local. The officers are employees but the employers are also members and there is nothing in the constitution to say that they cannot also have a vote and hold office. Locals are to hold a business meeting at least once a month. Fifty-one

percent of the enrolled membership constitutes a quorum. Each local has an employees conference committee and to it are brot local matters for adjustment. Both employers and employees contribute to the financial support. The following clause in the constitution binds the employers: "The above bond (\$3.50 per employee) is to be deposited as a guarantee of good faith and compliance with the rules and regulations that have been adopted by the constituted authority of the organization, the entire amount of the bond to be forfeited to the general fund of the Loyal Legion in event of failure to comply with any decision of the Board of Directors, or payment of any penalty that it may impose; provided, however, that no such bonds shall be declared forfeited without ample opporitunity for a hearing being given, and only upon a two-thirds vote of the entire Board of Directors."

The 4-L association stands for the open shop.

Comment on the 4-L. "It seems to me there is no room for argument or comparison between an organization based on the principles that the Loyal Legion advocates and any other sort of an organization which contemplates employers being grouped together on one side and employees on the other. The Loyal Legion, however, is based on fairness, sincerity and the 50-50 principle, and neither an operator nor employee can be of any service to the organization or get any satisfaction of consequence or ultimate good from it unless he sincerely

and truly believes in these things and gives evidence of his belief by his actions." Mr. A.C. Dixon, Booth-Kelly Lumber Company, Eugene, Oregon. (LLLL literature).

"Apparently it (the 4-L) has brot about a better understanding with our employees, and we are having a smaller overturn in labor and getting more efficiency than we usually do at this time of the year, for that reason." Mr. E.D.Kingsley, West Oregon Lumber Company, Linnton, Oregon. (LLLL literature).

3. The Shop Committee Plan. A recent development in labor organization at lumber production plants is to be found in the Shop Committee Plans and Standard Practice Rules adopted by the employees of the Bloedel Donovan Lumber Mills at Larson and Bellingham, Washington. These employees elect shop committees to represent them in matters of mutual interest between employee and company such as, wages, hours, working conditions and rules and to facilitate collective agreements in employment. As put forth in the constitution: "The objects of the committees is to concern themselves with the policy of the company in all of its relations with the employees regarding: wages, hours, working conditions, grievances, suggestions, sanitation, efficiency and such other subjects as may be of mutual interest to the employees and the company."

The committeemen, about 12 in number are elected every six months. Each major department of the mill, planing mill, yard, etc., has a committee of at least one and these smaller shop committees brot together form the shop committee of the whole plant. The men when they have a grievance or a suggestion take it to the committeeman that is in their part of the plant and together they go to the foreman. If the foreman cannot settle the matter to their satisfaction it is the duty of the committeeman to take the matter up at the next meeting of the shop committee. If the matter is not settled there it can be carried to the joint council (two plants) which is composed of three representatives appointed by the company and all the representatives that have been elected by the employees.

The employees have co-operated with their employers adoption and publication of standard practice rules to cover such items as: safety, attendance, wage payment, hours, first aid, Americanization, unions, I.W.W., company preperty, promotions, discipline, special consideration for women employees and special rules for the individual plants. The company publishes these rules, this is a fact worthy of note. The administration of the rules remains in the hands of the company at all times. Any irregular method of appeal, as going over the head of the

foreman, forfeits the employee's right to appeal thru his committeeman.

The clause of the standard practice rules that deals with the I.W.W. is significant: Unions, Rule 2.-- I.W.W.-- Members of the "Industrial Workers of the World," which is an organization whose tenets are NOT in accordance with the United States, will be discharged immediately when such membership is known to the company and citizens and employees are requested to assist us in this, as in the case of persons renouncing their citizenship."

This shop committee plan looks so reasonable that it is a wonder that some operator has not resorted to it before. Rather than an organization of employees against the employer this is an organization planned and gladly fostered by the employer and being to the advantage of both. It puts a large share of the burden of the responsibility for the success of the plan on the foremen and other executive officers of the company. From this it would seem that it would call for men of considerable ability to handle these positions.

As compared to the 4-L

1. Overhead expense less.
2. Organization not top heavy; action more immediate.
3. Employer is a very real part of the organization while in the 4-L he may not be in sympathy.

PART V. A PROFIT SHARING PLAN

Various methods of profit sharing have been tried out in industry. The bonus system is a form of profit sharing and is the only form used extensively in the lumber business today.

The plan presented here is based on the principle that a worker is capital and that when he is working for a concern he has invested his capital with them along with the other capital. If a man is capable of earning \$6 per day for 300 days in a year his capital value is equal to a sum which placed at interest will yeild \$6x300 per year. How this principle is applied to profit sharing is explained in an example:

JOHN JAY JONES, Sawmill.

The owners have \$200,000.00 invested as capital entitled^{to} earn dividends.

Total net income one year \$50,000.00.

Out of gross income has been deducted wages, depreciation and other items of cost including a net

return of 15% on the capital of \$200,000.00.

Operation requires 10 office~~x~~ employees and executives and 90 men in mill and yard., making 100 men in all.

200 working days in a year; average wage for all \$6 per day, \$1200 per year.

Labor cost one year.....\$120,000.00

Capital value of labor for one year at 15%

<u>120000</u>	=	Laborer's capital.....	\$800,000.00
.15		Owners capital.....	<u>200,000.00</u>
		Total.....	\$1,000,000.00

Therefore, "capital" and "labor" combined have \$1,000,000.00 invested in the John Jay Jones sawmill. When the worker gives his time his capital is as truly invested in the enterprise to which he gives his time as is the capital of the owners which was in the form of money. Money is capital because it is capable of earning interest; a laborer is capital because he is capable of earning a return.

Now, to share the profit. In this case the owners capital and the employees as capital have already earned 15% each on their rated capital value. There remains \$50,000.00 to be divided up equally according to the capital each has invested. Labor has 8/10 of the capital and the owners 2/10, therefore, an equitable division can be made by giving labor 8/10 of \$50,000.00

and the owners 2/10 or \$40,000.00 and \$10,000.00 respectively.

Since there are 100 men to receive the \$40,000.00 each man would get a bonus of \$400 per year or \$2 per day.

The employer intending to use such a plan as this would make an announcement somewhat as follows:

We, the owners of the John Jay Jones sawmill, realizing that steady, interested workers are necessary to the successful operation of a sawmill, and, realizing that such men should have a share in the success that they make, do hereby offer to take into the company a limited number of men. The wages of these workers will be capitalized at 15% and the sum secured will be considered to be the workers capital value to the company and said sum will be added to the mill capital and will share in an equal division of net earnings. For a man getting \$6 per day in wages the capital value will be \$8000. Men will be guaranteed wages at the standard rate. The men so made partners in the company shall organize and send representatives to stock holders meetings and have a voice in the administrative policies and the business policies of the company. They will be in the company.

In consideration therefor the men will:

1. Agree to contract their work to the mill on a year basis. Any such contract to be binding to both parties.

2. Take an active interest in increasing the efficiency of the plant. Any man thus capitalized who fails to promote the interest of his fellow workmen and of the owners of the mill will be disqualified.

3. Form an organization to promote the best interest of both parties.

If this plan were carried out there could be no sharp distinction between owner and laborer. Each man working in the mill will feel that as much depends him as upon the other fellow how big the bonus will be.

PART VI. SOLVING THE LABOR PROBLEMS OF LUMBER
PRODUCTION

1. Low Production Per Man. Several direct solutions to this problem have been tried out. The bonus system is perhaps the most widely accepted of these. Men are paid by unit of work, so many board feet per day being worth so much and production above that unit carrying a bonus. It is very fair in principle since it aims to reward a man according to work done. Its chief difficulty is to determine what shall be a fair unit to use as a base in each case.

The bonus system has a two-fold purpose: First, to increase the average production per man, and, second, to make the men better satisfied with the treatment he receives from the employer. It is not a fad, it has been tried and found to be entirely practical. The justness of its ideal, rewarding the man according to his work, has an appeal for both employer and employee. To the employer because he gets what he pays for and to the employee because he is paid for what he does. Where it is poorly administered the men may secure production at the expense of machinery and company equipment but this can be overcome.

Low production per man may be caused by poor supervision. The remedy for such a state of affairs is very direct since it consists in getting the right kind of supervision. The difficulty will come in finding the personality and the skill that can do what is wanted. Owners must begin at this end first, the employees cannot be held responsible for low production that is caused by poor supervision. The need for this expert supervision and management has made the profession of the logging engineer. The operators of the future are going to draw more and more of their administrative officers from the ranks of college trained men. Hence the college can have a share in solving many of the labor problems.

The health of the men is one of the factors that determines their production. Accident prevention increases the average capacity of each man. A healthy man can do more and better work than a man who is unhealthy. The direct solution here then is to supply adequate medical attention at camps and mills and to safeguard the men from accidents. A more indirect solution is to root out those things which cause a weakening of the physique of the men. Clean food, clean living and better conditions all around is what is needed. Attention should be given to the children in the families of the workers that the coming generation may be strong. Proper education and proper amusements--

in short, anything that tends to better the physical condition can be made to react upon the production per man.

Give a man a strong body and he is better able to produce provided that his mental attitude to the work is right. This attitude of mind becomes a very real factor when it crystallizes into such factions as the I.W.W. The problem of the attitude of the worker to his work is the biggest factor today in determining the amount of production per man. Too often the worker is not in harmony with his employer or his work. He takes the attitude that he is being abused as by a heartless giant and that he is not honor bound to do an honest days work for the going wage.

To combat this attitude the following preceptss are advanced for employers to follow:

1. Make it a point to be absolutely fair in all dealings with labor in order that labor will not have any real ground for complaint.

2. Only the reasonable demands of labor should be granted.

3. Personal touch between employer and employee. Too often the distance and the coldness and the red tape of a company impresses the workers that it is heartless. A little advertising of said warmth will do no harm.

There are also many indirect measures that may be worked out in the industry and by the state:

1. Education -- general, civic and vocational, in school and out.
2. Health conservation.
3. Thrift.
4. Civic responsibility.
5. Clean living.
6. Safeguards for worker and family.

2. The I.W.W. The organization known today as the I.W.W. and all similar organizations and the tendency to form organizations with such ideals, have no place in the lumber industry or any other industry. The problem here is not control, or guidance, or betterment, the need is for absolute eradication. This industry has been among the last to have its labor organized for today this labor is largely unorganized. It is unfortunate that the workers first attempts at organization found expression in such revolutionary groups as the I.W.W. But it has not been a fair trial of labor organization.

There is no place for the I.W.W. in the industry. All semblance of their organization must be rooted out. Already operators recognize this as was shown in the quotation taken from the shop committee plans of the Bloedel Donovan Lumber Mills. State laws are becoming more strict and public sentiment is demanding that these laws be enforced. The Centralia affair woke the

whole West to an uncompromising attitude. And an uncompromising attitude it must be. The I.W.W. must go and the Red and the Bolsheviki too.

It is now apparent that the workers in the woods and in the sawmill wish to organize and have a voice in affairs that concern them. When mention is made of these people organizing some good people can think only of the I.W.W. and that ilk and so they hold up their hands in holy horror. Organization of the workers in the lumber industry does not mean that they must become I.W.W. or that they have any of the ideals of that body. The workers' desire for uniting is perfectly normal, it is all-American, and should be encouraged to have a perfectly normal expression. To try to thwart the laborer's normal desire for organization is to encourage the abnormal. Proper unions for the men in the lumber industry will be of benefit to the industry.

The employers will find it to their advantage to take the initiative in forming unions for the men. This has been done in the case of the LLLL and the shop committee plan of the Bloedel Donovan mills. It should be possible in this way to eliminate much of the antagonism that exists where unions have to fight for their life. The employer should be a big brother to

the union not a foe. The employer, because of the character and the education and the vision that he should have because of his position in the world of affairs, should be in a position to direct labor into the kind of organization that will be most worth while. Certainly it is to his advantage to do so.

3. Living Conditions. Possibly it is not necessary to go into detail here as to ways in which the living conditions of the workers can be improved, to the good of the industry. It would seem tho that every camp of any size should have, along with the standard equipment, a well equiped bath house and in some cases a laundry. Also a building that can be used as a social room. Medical attention at the camp and other measures that look to the welfare of the men will surely be valuable.

The logging operator if he is to secure the married man must face an added burden of housing. If married men become the rule camps will become larger and more permanent because it will be more difficult to move. This has many drawbacks for the practical operator. It will rest him to decide whether it is better to have small camps that can be moved easily and depend on foot-loose, restless and often inefficient labor or have large camps that cannot be moved easily and have the advantage of the married man and his steadier habits.

There is one means of solving the problem of living conditions for the logging operator that is not often resorted to but which has some strong points in its favor. In camps and small mill towns, the concern for which the men are working commonly owns and controls the whole camp equipment or the "business" section of the town. This equipment could be put in the hands of an employees association. A logging or a milling concern is not a hotel or a mercantile establishment. They have no interest in these things except as they enable them to secure the needed labor and hold it on the job.

The owner of a camp could turn the cook house over to a committee of his employees. They are to operate it to suit themselves, buy all supplies, and meet all expenses including salaries and depreciation. It would be the property of the men and become an object of pride and responsibility. However, this means of camp administration seems to have just as many disadvantages as the present method.

In the matter of living conditions at mills there is one direction in which there can be great improvement and that comes in the proper care of foreigners. This is more a state matter than a responsibility of the individual operator but he is

in the best position to start something. In our cities foreigners are segregated and the forgotten. They live as they lived in their mother country, speak the mother tongue and hold to the old ideals. And then we wonder why these people are not Americans!

We need an active branch of state or national government to educate foreigner in the standards of our country and to aid and encourage them to become citizens. They should learn these valuable lessons before they are fouled by under-currents that are not American. We invited these people to come to our country and they should not be ignored. If the nation fails to do her plain duty we must cease to be surprised that there is so much un-American sentiment. A visit to the factory section of most any city will prove to anyone how badly these people need American standards of living.

Closely allied to the matter of living conditions is insurance and accident compensation. In the last several years great strides have been made in this form of industrial welfare in the West. That there is still much that we may do and that older countries have done is shown in the following summary of facts presented in "Social Insurance," by Rubinow and published in 1913:

1. Accident compensation or accident insurance has been established practically thruout Europe and in many British colonies.

2. Compulsory sickness insurance is common in Europe.

3. Compulsory old age insurance also.

4. Unemployment insurance by means of subsidies to workmen's voluntary organizations is rapidly spreading in large European cities.

5. The first beginings of a national system of widows and orphans pensions have been made in Germany.

4.--5. Restlessness and the Moral Quality of the Men. These two problems can well be treated together. There is one fact that is fundamental to both. It is in the coming generation that the solution of these problems rests. Any measusres that are taken with the men in the industry are nothing more than patchwork and the patches are going to show plainly too.

Once a man has become a wanderer on the face of the earth he is a wanderer and only in exceptional cases can he be anything else. Once a man has lost his appetite for good living and normal pleasures he has lost it and again it is only the exceptional man that will ever regain what he lost or find what he may never have had.

This being true it follows that whatever the measures taken by the lumber industry they are dealing with surfaces and not with fundamental causes and facts. There is no solution to the labor problem in lumber production until the problem of the man himself is solved. There must be something to build upon. Begin with the man and other results will come as a matter of course. At bottom this is a problem for civilization and government to solve. That does not mean that the lumber manufacturer has no responsibility and that he is to turn his back and let civilization do the business but it does mean that he must do all he can because he is a very large part of civilization. As an employer of men he knows what he wants and he should use his influence to see that the kind of men he wants are produced.

What then are some of the things that will bring to the lumber industry men of strong bodies, capable minds; men who will be healthy, normal citizens, productive workers and Americans to be proud of?

1. Goodshomes.
2. Education.
3. The right kind of environment.
4. Responsibility.
5. Active citizenship.

Where are the loggers of the future to come from? Are they to be average American men or are they

to be above or below? The lumberman is shaping the answer to these questions today when he makes or fails to make provision for the family man. These are the children that will be the workers of tomorrow. Our treatment of the immigrant is shaping an answer. Western states by their votes and policies are today building the citizen of tomorrow. If restlessness and immorality are to be rooted out of the logging and milling industry they must be rooted out from the bottom up. The child is the best solution to the labor problem.

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CONCLUSION

The industrial captain of the future is going to be the labor leader. Not a leader of labor against capital as foe but a leader of labor with capital as a team. The race for supremacy in the industrial world will not be to those who are clever only in business but for those who are clever in business and expert in their dealings with labor. The modern way to kill a competitor is not to underbid him in the market but to get ~~get~~ more service from your labor than he can get from his.

Therefore, the really successful operator in the lumber game is going to be the man who does not wait for labor to organize and make a list of demands but who is always one jump ahead of labor. He will consider it a part of his business this handling of labor that he may get the most out of it -- that he may get what he put into it. The employer who solves his employees difficulties, who meets the employees more than half way, who is square and who builds up confidence, is going to be the man that is going to succeed. The employer is the rightful leader of labor, he was that in the old days of personal and physical contact and he must be again in the future.