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OFFICIAL ORGAN OF THE MONTANA STATE FEDERATION OF LABOR

Vol. VIII.

BUTTE, MONTANA, THURSDAY, DECEMBER 8, 1932.

:-:

No. 40

CLERKS SETTLE DIFFICULTIES WITH EMPLOYERS

171 BILLIONS OF DEBT STRANGLE U. S. BUSINESS

Tremendous Interest Drainage on National Income

PER CAPITA IS \$1,400

By COLSTON E. WARNE.
AMHERST, MASS.—(F. P.)—Americans are struggling under a debt burden of 171 billions, incurring an interest payment which could not be earned by all our unemployed if they were paid at the rate of a steel or textile worker—a liability largely figured at 1929 levels while prices have dropped about a third. With the national income cut from 90 billions to 50 billions, a desperate situation is being reached. If you work five and one-half days a week, one day's income goes to the interest burden alone, allowing nothing for reduction of debt.

Calculations by Dr. Royal Meeker place the total debt burden of the American people at 171 billions in March, 1932—a per capita debt of \$1,400. This means that at an interest rate of 5 per cent, the sum of \$8,551,000,000 would annually be due in interest on this debt. Figured for every man, woman and child in the United States, this would mean an annual burden of approximately \$70. Or for a family of five the annual absorption by interest alone would be \$350. Dr. Meeker's figures follow:

Brokers' loans to speculators, \$530,000,000; commercial bank loans, (largely to business men and farmers), \$30,500,000,000; consumers' credits ("easy payment" purchases), \$2,000,000,000; loans on life insurance, \$3,400,000,000; corporation debts (long and short term), \$64,682,000,000; farm mortgages, \$7,600,000,000; other agricultural loans, \$1,800,000,000; non-farm mortgages (largely city real estate), \$26,000,000,000; state and local debts, \$16,000,000,000; federal debt, \$18,508,000,000—a total of \$171,020,000,000.

To be sure, certain of these obligations will probably never be paid. Still, this debt load represents a tremendous interest drainage out of the American national income. Prof. Irving Fisher, employing these figures, estimates that this total indebtedness of 1932 is equivalent to a debt of 302 billions at the 1929 price level. Steel workers received a weekly average wage in September, 1932, of \$11.99. Textile workers obtained \$10.96. This means that the obligation to pay interest would annually absorb the equivalent of the income of 16,318,710 workers paid at the present weekly rate of steel workers.

The total of corporate funds upon which interest and dividends are to be paid was 233 billions at the close of 1929, F. C. Mills estimates in a recent study of the National Bureau of Economic Research. Out of this total, the direct corporate indebtedness (bonds and notes) equals 64 billions, to which must be added a considerable share of the commercial bank loans of 30 billions. With the continued drainage of interest payments and the lowering of the profit-earning capacity of industry after three years of depression, the margin of safety behind the bonded indebtedness of corporations becomes exceedingly narrow.

The farmer's plight has been even worse. The value of American farms was 43 billions in 1929, according to the U. S. Department of Agriculture. The drastic deflation (63 per cent) in farm prices has brought farm values sharply downward making it impossible for many farmers to meet interest on mortgages which total in all \$7,600,000,000.

Mention should be made of the urban real estate situation. Burdened by mortgages approximating 26 billions, the equity of many property owners has entirely vanished. The banks and insurance companies which hold 21 billions of this mortgage total stand to lose a considerable portion of their equity as the present wave of foreclosures proceeds.

In all, indebtedness of the United States is estimated to total 75 per cent of the present national wealth, according to Dr. George F. Warren. He concludes that "much of this can never be collected." Mean-

WAGES ARE CUT THREE TIMES MORE THAN COST OF LIVING

Miss Mary Anderson, Director U. S. Women's Bureau, Condemns Low Wages Paid Women.

CINCINNATI, OHIO.—Trenchant criticism of employers for reducing the wages of working women below decent living standards was voiced by Miss Mary Anderson, director of the Women's Bureau of the U. S. Department of Labor, in an address to the delegates of the annual convention of the American Federation of Labor here.

Miss Anderson also administered a deserved rebuke to low wage employers who continue to howl about the necessity for further wage reductions because of the decrease in the cost of living. She pointed out that while during the last two years the cost of living has fallen about 18 per cent, employers have driven wages down 54 per cent.

"In the Women's Bureau we are gathering information with regard to the employment of women," Miss Anderson said. "We have found that women in industry have increased enormously in the last decade. Two million and a half more women were employed in 1930 than were employed in 1920.

Low Wages Paid Women Workers. "The wages given to women are not nearly as high as would be given to men if they were employed to that extent. Women are getting from one-third to one-half less wages than men are getting for practically the same kind of work.

"Now, that is not the fault of either the women or the men. The women do not want to work for three, four, five and six dollars a week, as they are doing today. They have to work, they have to earn a living, not only for themselves but for dependents, and for that reason they have to have a job. And they have to take whatever they can get because they are the minority in the labor movement. I don't mean in the trade union movement, but they are the minority that are getting the jobs.

Employers Hire Cheapest Labor. "You will remember, I know, that the competing minority at one time were the immigrants. I was one of those myself. The immigrants had to take whatever they could get. "Today that is not so. Today it is the women in the labor market, and now we are beginning to have the Negro women and the Negro men in the labor market who are obliged to take the jobs at even lower wages than the women are paid. Living Cost Cut 18 Per Cent; Wages 54 Per Cent.

"In the last two years of depression the cost of living has gone down about 18 per cent. Employment has gone down 33 per cent, and wages have gone down 54 per cent.

"Those of the population and employers who are saying that the people ought to work cheaper because the cost of living has gone down so tremendously do not realize, or perhaps do not face the question that wages have gone down almost three times as much as the cost of living has gone down.

Shorter Hours, Higher Pay. "The whole question is very precarious, and, as President Green said in his stirring talk, if we cannot raise the wages so that we can get purchasing power in this land of ours, we are not going to make a dent in the depression.

"The shorter work week and better wages, real purchasing power among the workers—because, after all, they are the large majority—are the cardinal things that will have to go hand in hand if we are to emerge from the depression we are in now."

while, this colossal debt burden, increased by the deflation process, continues to strangle the capitalistic world. Whether inflation, the bankruptcy courts, or revolution will liquidate the debts must be left to history.

Timely and Untimely Observations

By ADAM COALDIGGER

FROM PHAROAH TO FRANKIE. Stocks show encouraging stability. Instead of going up and down, they stay down.

By the way, do you know the difference between a crap game and the stock market? No—?

Well, in a crap game they play with dice, while in the stock market they play with life.

Wait, here is still a better one: What's the difference between raiding a crap game and raiding the stock market?

Don't know? Well, when a crap game is raided, the bulls cop the kale, whereas when the stock market is raided, the bulls lose the kale.

"Wall Street is warming up to Roosevelt," says Eugene M. Locky, financial writer for the New York Times. "He is no longer a radical or a visionary, but a statesman from whom business has nothing to fear."

Bully, as Teddy Roosevelt used to exclaim, when he heard good things. But how about the liberals and progressives who voted for Roosevelt under the impression that while he was not exactly a radical visionary, he was at least a progressive with a vision?

Other encouraging signs seen by Brother Locky: "Much is being said approvingly (in Wall Street) of the (Continued on Page Four)

A. F. L. CAUTIOUS ON WOMEN AND THE COLOR BAR

Has Been Consistently Opposed to Drawing Line

DOES LITTLE IN WEEK

By CARL HAESSLER.
CINCINNATI, OHIO.—(F. P.)—The first week of the 52nd annual convention of the American Federation of Labor at Cincinnati was taken up with speeches including the deadly serious picture of the struggle between rich and poor in Great Britain and with the beginnings of the definition of federation policy. The week was interrupted by a holiday and by the fact that no committees were ready to report Saturday, so that the session only lasted five minutes—this suggesting that the usual smooth operation of the administrative machine was lacking.

It was on women's auxiliaries and on the color bar in a number of international unions that debate developed. A. O. Wharton of the machinists and Frank Martel of the printers opposed the committee's recommendation that the newly organized Federation of Trade Union Auxiliaries (women) be given a fraternal seat at the A. F. of L. conventions. And in spite of spirited support of the proposal, it was voted down.

The reason, as gathered from its opponents, was that "you can't control the women," and that "they aren't grounded in trade union fun" (Continued on Page Four)

SIX-HOUR DAY, FIVE-DAY WEEK IS DEMANDED BY FEDERATION

President Green Declares Twelve Million Workers Must Be Provided With Jobs by Shorter Hours.

CINCINNATI, OHIO.—The convention of the American Federation of Labor here delivered an ultimatum to the management of industry by demanding the immediate application of the six-hour day and five-day week without reduction in pay.

The action was taken unanimously by the delegates at the conclusion of a vigorous address by William Green, president of the Federation, in support of the report of the Shorter Workday Committee, which recommended that the convention declare immediate achievement of the six-hour day and five-day week the paramount purpose of the American Federation of Labor.

Declaring that Labor's patience with industrial management was at an end, Mr. Green asserted that unless this great reform in the hours of labor is given "in response to reason, we will secure it through force of some kind."

By "force" Mr. Green said he meant the use of every weapon in the union armory; economic, political and industrial.

In opening his speech in favor of the report of the Shorter Workday Committee, Mr. Green said:

"The country is face to face with a momentous decision, whether we shall dismantle industry or whether we shall make adjustment necessary to provide employment for all who are able and willing to work.

Millions Permanently Jobless. "It is clear indeed that it is quite impossible for industry to provide work for fifty or fifty-five million able-bodied working men and women eight hours per day and six days per week.

"We have developed such mechanical technique as to make it impossible to absorb into industry the workers of the nation.

"Are we to resign ourselves to an economic situation where from 11 to 15 million people are to remain idle constantly and continuously? Will our social order sustain such an economic condition as that? How long will we be patient? How long will it be tolerated? These are the questions pressing for an answer that must not be denied." (Continued on Page Four)

The Washington Scene

By LAWRENCE TODD

WASHINGTON.—(F. P.)—"Green Hints at Force to Win 30-Hour Week; Gunmen Menace Doak" was the three-column headline accompanied by pictures of Green and Doak, with which the Washington Post, organ of the Hoover administration, sought to alarm its readers on the morning of Nov. 29.

The news dispatch from the Cincinnati convention of the American Federation of Labor which appeared beneath this headline was the account of President Green's speech demanding universal acceptance of the shorter work-week, especially in government employment. It told of the unanimous endorsement of his position by the delegates, and explained that by "force" Green said later he meant only economic force. It recited that Secretary of Labor Doak had asserted to the convention that his life had been threatened because he was fighting racketeers.

These headlines were merely a part of the campaign of fear that is being whipped up in the capital to justify any brutality that the administration may invoke against the hunger marchers who are making their way from all parts of the country to their seat of government to petition for redress of the worst grievance that a patient and law-abiding people can face—the grievance of being denied the right to live in their own country. Starvation is very real in the United States this winter, as Green and the other leaders of the A. F. of L. have been bitterly declaring. The Communists are leading a handful of the destitute unemployed to Washington to remind Congress that it can relieve this starvation quickly if it will use its taxing power on the great private fortunes. The press that is stubbornly defending capitalist rule, even in this hour of its utter failure to provide work and wages for more than 12 million wage earners, is catching at every chance phrase by any spokesman of any part of the working class to frighten the property-owners into a mood that will demand gas and gunfire attacks on the ragged marchers.

Latest plans of the District of (Continued on Page Four)

NEGOTIATE WITH EMPLOYERS' COMMITTEE; LABOR DEPARTMENT REPRESENTATIVE IS PRESENT

At 1 o'clock this morning, December 8, the negotiations affecting the Clerks' Union were completed and all disputes and points of contention adjusted. Some of the major points settled in the contract include a cut of \$5 per week for a registered pharmacist and a reduction in hours per week from 58½ to 56; it was finally conceded that for the next year and a half Columbus Day would be allowed and Commercial Day would be set on Miners' Field Day, when that is in effect, but the Clerks did not relinquish Washington's Birthday. The grocery employes and wholesale warehousemen also came in for consideration; the settlement providing that male foodstuff employes accept a cut for a period of five months, which means that after May 1, next, they revert to the present scale. The cut is from \$31.55 to \$28.75 per week for the period of five months.

Saturday afternoon closing will be abolished but each clerk will take every other Saturday afternoon off during the months of July and August.

It was agreed that for every five union members, one extra clerk could be hired for not less than half a day but must receive pay at the overtime rate, which is 50 cents per hour for women and 75 cents per hour for men.

The fight is over and we believe there have been a great many surprises.

The building trades committees made splendid progress yesterday in their negotiations, and additional negotiations with this group are now in progress.

While it may be a little premature to make predictions yet on the strength of what has been accomplished, and the concessions and reasonableness shown on all sides, it may be confidently expected that a period of industrial peace is assured and that cordial, reciprocal relations shall continue.

Nation Approves Old-Age Pensions, Says Magazine

NEW YORK.—(F. P.)—Never before in political history has the nation registered such emphatic approval of old-age pensions as on last election day, according to the Old-Age Herald, which publishes a survey of election returns as they affect pension legislation.

For the first time a direct referendum resulted in overwhelming victory for old-age pensions. Prospects for a federal pension law are considerably strengthened, the magazine reports. The Democratic platform urges security against old-age want. Ten governors friendly to the movement were elected, the Herald says.

In Missouri a referendum empowering the assembly to provide humane and adequate care for the needy aged received 413,466 votes against 98,506 unfavorable ballots, with returns incomplete. "The unprecedented popular victory in Missouri reverses completely the referendum in Ohio in 1932, when an old-age pension proposal was voted down two to one," says the Herald. St. Louis voted 5 to 1 and Kansas City 4 to 1 in favor of the pension. Minnesota also gave a similar pension proposal enthusiastic approval.

L. I. P. A. Plans 1933 Meet to Form Third Party

NEW YORK.—(F. P.)—The League for Independent Political Action, headed by John Dewey, plans a national joint conference of all groups interested in building a new party with the purpose of capturing as many congressional districts as possible in the 1934 campaign and presenting a united front in the 1936 presidential campaign, Howard Y. Williams, national director, announces. The conference will be held in 1933.

"The ramparts of the old parties cracked in the election," Williams says in a survey of the results. He hails the victories of the Minnesota Farmer-Labor party and the Non-Partisan League in North Dakota as encouraging signs.

MILLIONS OF JOBS ARE DESTROYED BY EMPLOYERS

Labor-Displacing Machinery Creates Permanent Jobless Army.

CINCINNATI, OHIO.—The devastating effect on our millions of working men and women of our system of machine production operated exclusively for the benefit of those who own and control industry was emphasized in an address here by Spencer Miller, Jr., secretary of the Workers' Education Bureau of America, before the annual convention of the American Federation of Labor.

As one illustration of the havoc wrought by machinery on the workers, whose only way of getting a living is to sell their physical strength and mental ability to their employers, Mr. Miller said:

"An electric lamp machine which has recently been installed has a production of 531,000 lamp globes a day—an increase of 9,000 times over previous production.

"More startling perhaps is the recent erection of a factory in New Jersey for production of rayon where the operation can be carried on 24 hours a day without a single worker in the plant."

Millions Permanently Jobless. The sinister figures presented by Mr. Miller were taken from a recent report on the development of industry dominated by science and machinery made by a group of engineers and economists under the direction of the Department of Industrial Engineering of Columbia University, New York.

Summarizing the findings of the experts, Mr. Miller said:

"The net result of these conclusions is that if all our factories were running as in 1929 there would not be room for one-half of the present eleven and one-half million unemployed workers.

Labor-Displacing Machines Increase. "If the grim reality of this engineering report seems a little breath-taking, it may be informing to recall that there were more inventions of labor-saving machinery in 1931 than in any year of our history. Indeed, the only group who have been fully employed are the inventors of automatic machinery. They have been perfecting labor-saving machines to throw more persons out of work!

"Nor is that all. The chairman of the Industrial Division of the Share-the-Work Movement recently made an appeal over the radio to the factory management of America to spend five billion dollars on new tools to make their obsolete plants more efficient. The logic of this situation will not escape any one who takes thought for the morrow.

Only 16 Hours Per Week. "Our working population operating four hours a day in four days a week can supply us with our material needs. There is no way out of this impasse save by an entire revision of the standards of valuation."

Labor's Welfare Imperilled. Pointing out that our system of production, now so completely dominated by machinery, and operated for the exclusive benefit of those who own and control it, is a distinct peril to the workers, Mr. Miller went on:

(Continued on Page Two)