

Service Talks

PHILADELPHIA RAPID TRANSIT COMPANY

No. 28

EVERY EMPLOYEE A STOCKHOLDER

September 26, 1922

LABOR HIRING CAPITAL

America—the country of greatest opportunity, where the land produces the wherewithal of life in such abundance as to more than supply its people's every need. America's people, thus blessed of God, have but to follow the Golden Rule to enjoy life in its fullness.

America's mother-bosom, full to overflowing, generously gives, and gives, and gives, being desirous only that her children, for the sake of their own happiness, quarrel not in the taking.

America's children have become divided by internal dissension between labor—those who depend upon their work for their livelihood, and capital—those who depend upon the earning power of their money.

Labor inclines to the false belief that capital has somewhere concealed an inexhaustible supply of those things which make for better living, and that by doing less and asking more, labor's millennium may be accomplished.

Labor must produce more in order to have more, since higher wages avail nothing if there be a lessened output of the commodities which wages are supposed to buy.

Capital, being principally contained in the machinery of production, is uneatable and unwearable, and must, from labor's own standpoint, continue to have a value, as representing the investment of savings, otherwise labor has no means of assuring the support of its own old age or of making certain that its own dependents will be fed.

Russia's experience in failing to successfully operate the machinery of production, with death to former owners and famine to the common people, contains a lesson to labor, as well as a warning to capital.

Lord Milner, one of the ablest of British publicists, says:

"The true line of social advance lies in a system whereby, instead of capital hiring labor, labor will hire capital.

"If labor can supply management; if labor can be a good business man; if labor can avoid all labor difficulties, the friction, the wear and tear, the losses of wage disputes and strikes; if labor can amalgamate management and production in a single functioning body, capital would escape a deal of worry.

"Capital has money to hire out. In the nature of things, it would prefer hiring its money out to that body most competent to conduct production and to compensate capital. There is no reason why labor, if it can swing the business, should not be preferred as a borrower."

SERVICE TALKS

3

THERE MUST BE INDUSTRIAL PEACE

As a pre-requisite to prosperity there must be industrial peace. This was the keynote of the address delivered on Labor Day by Secretary of Labor Davis. He preached the doctrine that employer and employee must join forces. Surely, said he, "American genius can find a way to put its own house in order," and put an end to the destruction which "saps the life blood of progress."

There speaks the voice of wisdom. Men CAN deal among themselves—and DO. Witness what has been accomplished here in Philadelphia, where the relations between employer and employee—the Rapid Transit Company and its workers—have presented a model to every industrial organization in America.

There is never any question of a strike here. There is never an ugly feeling. The men—through their own committees—present their problems and they are always settled satisfactorily. There is no effort to deny the right of the employees to join all the unions they may see fit, but the very happy relations which exist do not permit of outside interference. Labor "leaders," promoting strife to enhance their own importance, cannot sow the seeds of distrust in the ranks of Rapid Transit. For here is where men "gather around the council table in a spirit of earnest co-operation."

Experience is the very best of teachers. But the policy of the employees of Rapid Transit, tested and found to be of mutual advantage, is repudiated by Mr. Gompers and his followers. They call this policy an attempt to break down trades unionism. "We are not going to have any company unions," he cried to his Labor Day hearers, "if we can help it, and pray God that we can help it."

This is only another way of saying that the union leaders will not stand for employer and employee getting together in a spirit of amity; that there must be no agreements or understanding except through the agency of labor officials who are in no manner connected with the industry involved.

—Philadelphia Inquirer.

OUR BANKS ANSWER GOMPERS

There is more in the State Banking Commissioner's report of Philadelphia banks than rows of big figures. It is an epitome of thrift. Unconsciously, it embraces a solid answer to Samuel Gompers' wild theories about "compulsory labor."

Our trust companies and State banks have combined resources exceeding \$900,000,000. More impressive still is the statement that of the 1,100,000 depositors in these banks, about 800,000 come in the class of "savings."

When a city of two million people has a record of bank accounts of that size, it is incontestable proof first, that our citizens have something to save and second, that they possess the good sense to save it.

Resolutions and Red radicalism never thrive in a place where half the residences are owned by those who live in them and where more than one person out of every three has a savings bank account. Jay Gould said that to become interested in any company one need only buy a share of the stock. It is so with other property.

The satisfaction that comes with even a little money in bank grows into an enormous municipal asset when multiplied, as it is here, by our 800,000 saving depositors. A vast proportion of these belong to what is popularly styled labor and the number of these increases every day.

There is no danger of "compulsory labor" in this country. Lincoln's Emancipation Proclamation settled that for all time. The only danger comes when labor, always free, is misled by selfish men to engage in lawlessness.—Philadelphia Inquirer.

SERVICE TALKS

THE COMMON SENSE OF IT

\$5,000,000 a day is computed by the National Industrial Conference Board to represent recent strike losses to American workers, in wages alone. Decreased production accompanies strikes. Strikes are therefore the surest method known to delay the desired day when higher standards of living can be accomplished, because decreased production of the things desired makes impossible the larger participation demanded by labor.

Gompers, in his Labor Day address, is quoted as saying: "By the development of co-operation with workers and the guarantee of justice in industrial life, it would be possible to extend the productive capacity of present equipment to fully double the present volume of output."

Organized labor, having agreed that present production can be doubled without increasing present machinery, has but to change its present policy which restricts output, to a policy of increased production, to itself become a great industrial asset and a wonderful aid to world prosperity.

Co-operation for increased production, wherein labor is given a fair participation in the result of its added effort, has proven its ability, under the Mitten Plan, to double production, thus giving assurance that, through co-operative effort, higher standards of living can be accomplished and labor itself become increasingly the possessor of capital.

Mittenism protects ownership, secures increased production by rewarding labor for added effort, and enables labor, in co-operating for economic accomplishment, to secure experience in management.

The problems with which we have to deal in our modern industrial and social life are manifold; but the spirit in which it is necessary to approach their solution is simply the spirit of honesty, of courage, and of common sense.—Theodore Roosevelt.

Mitten Men and Management, co-operating in Philadelphia, during the period 1911-1921, created added annual net income of \$16,000,000, through patronage induced by developing the short riding habit, savings through increased production, elimination of waste and reduction in accident costs. During this period, rides per capita were doubled, by intensive salesmanship, without increasing the number of men employed.

Organized labor at Buffalo, through enforced union regulations, designed to limit production, needlessly increased the number of men required to operate the cars, and so increased costs as to make decreased wages necessary. Mitten Men and Management, co-operating for efficiency, are now on their way to supply a better service to the public, with a smaller force, willing and able to honestly earn the highest wage made possible by their co-operative effort.

P. R. T. employees own 60,000 shares of P. R. T., equalling one-tenth of the entire capital stock. This purchase was largely accomplished through use of the Co-operative Wage Dividend, equalling 10% of annual payroll, which is being fairly earned by the men through added efficiency in economic accomplishment.

International Railway employees on strike since July 1st, have already lost in wages more than would have been sufficient to have bought one-tenth of International Railway Company's capital stock.

SERVICE TALKS

4

HEADING FOR INDUSTRIAL UTOPIA

This man Mitten, of the Philadelphia Rapid Transit Company, continues to do things worth while. His latest is to secure the consent of his employees to the suggestion that they will not draw down the amount of the expected [co-operative wage] dividend they are to receive on the earnings of the company, but will establish a fund in which each employee will have a known interest, and which will be invested by a board of trustees selected by the owners of the fund.

If this thing keeps on, it will not be long before Philadelphia will have the novelty of its street car lines owned by the conductors, motor-men and others who are the actual workers in the operation of the companies; and they will have acquired the ownership in the old established way by which the capitalists before them came to own things—by saving and investing their earnings, instead of spending everything earned.

This man Mitten certainly is doing things; and if his efforts to show the street car employees how they can hire themselves, instead of working for others, works out as it seems to be heading, and the idea spreads to the men and management of other industries, there is no telling how much happiness there may be in many quarters that have heretofore known little of the joys of life.—Philadelphia Item.

YOU HAVE TO HAND IT TO MITTEN

It may seem sort of disloyal for a union publication to pay tribute to President Mitten of the Philadelphia Rapid Transit Company, but being somewhat independent and unorthodox the Progressive Labor World sees in Mitten a force working toward a solution of our vexatious industrial disturbances.

Many shallow unionists will yell traitor, etc., but we smile and pass on to the suggestion that Mitten is doing more to add to the economic welfare of workers than most union workers suspect.

It isn't essential that one swallow the Mitten Plan "hook, line and sinker," to pay tribute to the work of Mitten. We are not extremists in anything. We merely assume the position—and we don't think it requires an unusual brand of courage to do it—that Mitten is a constructionist of the first water.

He has taken the P. R. T. system and made it over into a remarkably efficient system. He has fought tooth and nail the overlords of the system who paid more attention to the dollar than to the service part of the game. He has eradicated strifes and confusions which have been costly to city and citizens. He has given 10,000 employees a new outlook on life. He has shown them how to put money in the bank. He has made 10,000 employees disciples of the thrift philosophy. He has given dignity and independence to 10,000 workers. He has made life and its joys more secure for the women folk and the kiddies of the employees. He has made pleasant the present and made secure the future of the employees.

Mitten has not only taught 10,000 employees how to work—he has taught them how to play. . . .

There is something palatable and wholesome about the hope of Mitten that the employees will some day personally own the P. R. T. system. Such an event would mark an era of progressive accomplishment and ownership by, for and of the people. . . .

Mittenism is getting to stand for something very definite in America. There is only one way to counteract Mittenism—supply something better.—Progressive Labor World.