C O P Y

TENNESSEE COAL, IRON AND RAILROAD COMPANY

BIRMINGHAM, ALA.

September 10, 1925.

Mr. C. L. Close, Manager,
Bureau of Safety, Sanitation & Welfare,
United States Steel Corporation,
71 Broadway, New York, N. Y.

Dear Sir:-

Replying to your letter of August 28th, re. Miss Tarbell's inquiry as to what becomes of men modern machinery has replaced, and if they are absorbed into the business on other jobs:

You refer particularly to an ore loading device used in the mines, which Mr. Abbott showed you and which you say did away with a large number of men. I think this can serve as an illustration of what generally happens when modern machinery is installed.

The installation of mechanical loaders in the Ore Mines has resulted in a very large increase in the amount of ore mined, or an actual increase in ore production of 57%, and at the same time an increase in the daily working force on Red Mountain of 37%. This represents a period from 1919 to 1925, the ore loaders being gradually introduced during this period.

The net result has been more tons per man mined and a decided reduction in the labor turnover. For example, during the year 1919, in the three major ore mining operations, Muscoda, Ishkooda and Wenonah, the labor turnover ran around 85%, while in 1924, for the same operations, it averaged 42%, which shows a reduction of more than 50% in labor turnover, against a 37% increase in the working force.

Under the old method, the ore was loaded in large lumps into cars by men known as "muckers". The work was extremely arduous and required laborers of exceptional physique, and even they found the work so hard they left us whenever other work was available for them. The mechanical loader has reduced the physical requirements of the mucker so that an average laborer can do the work and does not find it too hard.

It appears, therefore, that the installation of this improved machinery, namely, the Mechanical Ore Loader, does not reduce the number of employes, and yet it enables us to meet the increase in ore requirements by an increase in our working force of 37%, whereas, we would have had to increase our working force 100%.

I think it is generally true that the effect of labor-saving devices in industry have a favorable effect on costs, which generally result in a decrease of the price of the product to the public; the decrease in price of the product to the public increases the market; the increase in the market increases the quantity of

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production so much that the men employed in industry generally increase instead of decrease, as labor saving machinery is introduced. I think this is true in the steel industry and in all other industries.

If there is any further information on the subject desired, I will be very glad to furnish it.

Yours truly,

(Signed) G. G. Crawford,

President.

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