

LUDLUM STEEL COMPANY

WATERVLIET, N. Y.

May 6, 1935

Miss Ida M. Tarbell,
120 East Nineteenth St.,
New York, N.Y.

Dear Miss Tarbell:-

This will acknowledge your letter of April 20th.

I can best answer your question by saying that this organization seems to have grown up something like a large family. When the total payroll consisted of less than 50, the personal contacts were, of course, closer but the idea is still very much alive and we hope intelligently cultivated.

During slumps in business we are obliged to lay off employees in practically all departments. Married men are retained in preference to single men in most cases. Under these conditions employment is staggered so as to enable as many as possible of our workers, those on our general payroll, to obtain some wages each week.

In our home plant, the Watervliet plant, we get excellent cooperation from the employees in accepting these adjustments. In our other plant, the Dunkirk plant which was acquired by purchase of the Atlas Steel Corporation in 1928, we are not always so sure of complete sympathetic understanding by those employees as a group. In both plants, those employees who have given long service to the company frankly admit that to them it appears like an injustice to be laid off in order to spread their work over the rank and file, since this includes some shifting employees who register a lesser interest in the company's welfare.

During the last general layoff in 1932, a relief fund was established. All employees remaining, including the local and branch office sales forces, were asked to contribute 1% of their salaries - this amount being deducted at time of payment. The company then contributed an amount equal to that contributed by the employees each month.

LUDLUM STEEL COMPANY

Ida M. Tarbell.

PAGE -2-

A committee of five mill salaried men took over the task of checking up needs of employees unable to find work supplying them with food, clothing, shoes, medicines and doctors' services if needed. Even premiums on group life insurance policies were paid in some instances. No obligation was set up against any employee for services so rendered. When he returned to work, no deductions were made from employees to remunerate the fund.

It has been the general policy of the company to reserve certain jobs for the older men as long as they are able to work. So far the company has not been so large nor the number of these men so great that this plan worked out rather well and effectively.

We have recently considered various propositions such as unemployment insurance, old age pensions, etc., but these are, of course, now held in abeyance awaiting the results of pending legislative proposals.

Yours very truly,

LUDLUM STEEL COMPANY



A.W. Mace
Assistant to the President

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