

Oregon Labor Disputes, 1919-1923:

II; Government and Wages

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THE TREND of the cost of living from 1919 to 1923 may be represented graphically by a mountain steeply inclined. Upon such a peak, in these years, the workers of Oregon and of all America were obliged to maintain themselves. Since other economic interests also struggled for advantage near the top of the slope, there developed an inevitable contest in which the forces of labor were driven downward. The struggle of the workers to maintain and improve living standards became a sort of Alpine warfare in which a dizzy descent could be avoided only by alertness and ceaseless upward striving.¹

In that post-war period rulings made before the armistice by agencies of the national government continued to be potent from coast to coast. The National War Labor Board established an important principle for the settlement of labor disputes when it recognized the right of all workers to a living wage which would insure health and comfort to the commonest laborer.² If that was for labor a charter of economic liberty, the Bible of wage scales was the well-known Macy award. The wages paid shipbuilding laborers had been raised by the award sufficiently to arouse envy on the part of those not so favored on pay day. The Shipbuilding Wage Adjustment Board, better known as the Macy Board from the name of its chairman, represented the Emergency Fleet Corporation, the private shipbuilders and the American Federation of Labor. Its two important awards were handed down October 24, 1918, one for the Atlantic and Gulf coasts, and the other for the Pacific, were based on estimates of the cost of living as determined by

¹"On the Trailer," cartoon by Perry, *Oregonian*, November 26, 1920, p. 1.

²Gordon S. Watkins, *Labor Administration in the United States During the World War* (Urbana, University of Illinois, September, 1919), II, 166; War Labor Board, *Report*, May 31, 1919, 121f.; Bureau of Labor Statistics, *Bulletin*, No. 287, 27f., 33f.; *Monthly Labor Review*, VII (August, 1918), 70f.

the United States Bureau of Labor Statistics.³ By rulings of the War Labor Board, the Shipbuilding Wage Adjustment Board and other government agencies, the principle of the living wage had been rather well established as the country entered the period of reconstruction.

Labor leaders, state and national, had sworn by all that was high and holy that the "standards of life" of the workers should be "maintained, improved, but not lowered."⁴ President Hartwig of the State Federation of Labor not only was unwilling to "permit the old-time conditions to be re-established," but he looked forward to "the establishment of a condition that will do away with poverty and unemployment and in its place establish the principle of full compensation for labor performed."⁵ Laboring men and their leaders felt that they were entitled to the enjoyment of comfortable conditions not only because of the justice and soundness of their contentions, but because of their part in winning the war, and because national leaders had promised them what they desired.

Employers, on the other hand, while they did not wish to be bothered with strikes until government contracts were completed, were planning a revolt at the proper time. They considered the demands of labor for higher wages and shorter hours unfair, and hinted at an employers' strike if conditions should become too unsatisfactory. Builders, for instance, could not risk binding themselves with contracts, they said, when railroad or steel strikes might prevent fulfillment of any contract or cause loss of business to eastern or mid-western competitors more favorably situated.⁶ It was clear that adjustments sufficient to meet the rising cost of living would not come from voluntary action by employers, but would be forthcoming only if the federal government were maintaining stability by indirectly paying the bill. Otherwise the principle of a competitive wage came into decided conflict with the principle of a decent standard of living. Workers in declining war industries, in spite of their

³W. R. Hotchkiss and H. R. Seager, *History of the Shipbuilding Labor Adjustment Board, 1917-1919*, Bulletin of the Bureau of Labor Statistics, No. 283 (Washington, Government Printing Office), 7-14; Frank Julian Warne, *The Worker at War* (New York, Century Co., 1920), 99f.; *Oregonian*, June 30, 1919, p. 1; *Monthly Labor Review*, VII (December, 1918), 1679-1694.

⁴Samuel Gompers, *American Labor and the War* (New York, George H. Doran, 1919), 139.

⁵Oregon State Federation of Labor, *Yearbook*, 1919, 23.

⁶*Oregon Journal*, September 5, 1919, p. 6; September 6, 1919, p. 17.

earlier successes, were among the first to find themselves fighting a losing battle.

When seamen were asked in 1921 to take a drastic wage cut of 25 per cent, changes in the cost of living furnished an excuse but not a wholly satisfactory reason for the peremptory demand. Chairman Benson of the Shipping Board called a conference for the twenty-seventh of April at Washington, between officials of the American Steamship Association and representatives of the Marine Engineers and other unions. The futility of the conference was evident from this biting statement by the Admiral:

The efforts of the United States shipping board and ship interests to avert a break with marine labor have come to naught. The refusal of the men to recognize the need for readjustment on a reasonable basis has ended the prolonged negotiations. The shipping board has endeavored to meet the men in the fairest and most conciliatory spirit. It is, however, deeply conscious of its obligations to people of the United States to protect their interests in the merchant marine.⁷

Though there can be little doubt of the conciliatory spirit of the Shipping Board, the last sentence of this announcement seems to reveal a policy dominated by commercial rather than social interests, and made impatient by military patriotism and pride in national status in world competition. Such a spirit was dictatorial concerning objectives the Board considered fundamental and axiomatic and it was quite unsuited to the devious ways of labor diplomacy. The seamen were displeased because, especially on the Pacific coast, they had voluntarily sacrificed much in organized power and, in spite of the rising cost of living, had patriotically refrained from striking.⁸ They felt, too, that the long delayed wage increases which they had secured in 1919, "did not begin to keep pace with the phenomenal flight of freight rates."⁹ When reduction was peremptorily demanded on the first signs of depression, coupled with an unappreciative attitude toward organized labor, the "old man of

⁷*Oregonian*, April 26, 1921, p. 1; April 30, 1921, p. 1; D. H. Smith and Paul V. Betters, *The United States Shipping Board* (Washington, Brookings Institution, 1932), 80.

⁸Arthur Emil Albrecht, "International Seamen's Union of America," Bureau of Labor Statistics, *Bulletin*, No. 342 (Washington, Government Printing Office, 1923), 67, 68.

⁹Paul S. Taylor, *Sailor's Union of the Pacific* (New York, The Ronald Press Co., 1923), 128-136.

the sea,"¹⁰ and the sailors he represented, especially those on the Pacific coast, were mightily displeased.

The eighty-one day strike which followed was featured by strike-breaking policies on the part of operators, Shipping Board and Portland police which were highly inflammatory to the seamen. The latter, disappointed by the poor success of their strike and made reckless by feelings of injustice, committed many lawless acts and were, in addition, blamed for rioting for which organized labor was not, probably, directly responsible. On May 20, as incidents of minor violence continued, federal Judge Wolverton granted an order temporarily restraining the pickets.¹¹ Although, as usual in such well-advertised disputes, the criminal element may have been taking advantage of the strike, the conclusion must be that the strikers did resort to excessive violence, injuring their own cause.

The injunction was made permanent June 10, and the strike action was called off four days later,¹² but the most serious affair took place June 20. A member of the Sailor's Union, Nestor Varrio, whose imagination had been distorted by feelings of wrong, had been collecting arms and storing them in his room. According to his roommate, Olaf Pedersen, this was done solely for defense against strike-breakers, but Varrio's own explanation will never be known. He was leader of a gang of pickets, lieutenant under an elected captain, and the fact that he was in charge on the fatal Monday night led to a charge of collusion against the union which was disproved at the trial. A group of policemen, all in plain clothes, appeared at the dock where they were mistaken for members of the crew and held up. When told that they were accosting officers, the pickets evidently thought it was ship's officers they were halting. Guns were brought into play on both sides and Varrio was killed. Of the other pickets implicated, only Pedersen was held by the court to be guilty of assault. The responsibility for the affair must be shared with Varrio and Pedersen by the police who used such poor judgment as to appear in plain clothes on a contested dock.¹³

The strike against the Shipping Board was finally settled at

¹⁰Andrew Furuseth, President of the International Seamen's Union.

¹¹*Oregon Labor Press*, May 10, 1921.

¹²*Ibid.*, June 17, 1921; *Oregonian*, June 11, 1921, p. 1.

¹³*Oregonian*, June 22, p. 20, June 23, p. 20, June 29, p. 4, June 30, p. 18, 1921; *Oregon Labor Press*, June 24, July 1, 1921.

Seattle on June 22 through an agreement with the Engineer's Union¹⁴ which had taken the lead in the controversy. On the eighty-first day of the strike, on July 20, the Portland branch of the Marine Engineer's Brotherhood of America authorized return to work on private vessels, and the warfare ended. The Shipowner's Association of the Pacific Coast had made no effort to carry on extensive operations during the strike, leaving Uncle Sam to play the principal role of strike-breaker. Thus Shipping Board marine labor policy lost its intended impartial, judicial and conciliatory function and was transformed into definite antagonism to a long recognized seaman status. In departing from its judicial role, it went all the way to the opposite extreme of participation in a strike.¹⁵

It is true, no doubt, that marine workers whose economic horizons often extended no farther than the corner grocery were holding out against an adjustment made necessary by the depressing business situation. Was this not a natural and somewhat excusable stand? Surely, the attitude of impatience assumed by the government agency cannot be justified. The situation called rather for patient, prolonged negotiation.

National railroad policy also was concerned with the question as to the extent to which the living wage might be enjoyed by employees of the carriers. The first industrial dispute of the period 1919 to 1923 in Oregon illustrates the extent to which the Railroad Administration was willing to go in order that essential justice might be rendered to its employees. The scene was laid in and near Baker, an important city on the route of the Oregon-Washington Railroad and Navigation Company, western link of the Union Pacific system. Maintenance of railroad transportation in mid-winter in the Blue Mountains of northeastern Oregon was a matter of importance. West of the mountains and isolated by snow filled passes and unimproved roads, lay Grant County. This area was dependent on an eighty mile narrow gage line, the Sumpter Valley Railroad, for supplies brought from Baker, and for an industrial outlet over the O.W.R. and N. However, the cost of living in an isolated section was no less high than elsewhere, and wage adjustments on the little road had been difficult to obtain because of its relative unimportance as a transportation unit, and because

¹⁴*Oregon Labor Press*, June 17, 1921; *Oregonian*, June 24, 1921, p. 20.

¹⁵Taylor, *op. cit.*, 140.

of its inadequate earnings. The employees of the Sumpter Valley Railroad resigned in a body on December 31, 1918.

The dispute had been pending since before the end of the war. On October 4, 1918 the United States Board of Mediation and Conciliation received an application for its services in a wage dispute involving the railroad and twenty-six employees. Conferences began at Baker on October 22, and a decision was reached November 15 whereby the company granted an advance of ten cents an hour for a ten hour day, applicable for a sixty day period beginning November 1. The purpose of the trial period was to give the Railroad Administration time to settle the dispute; but it is characteristic of a group of disputes affecting Oregon in the months following the war that the matter was neglected.¹⁶

Employees, employers and public were all bitter at the government for neglect culminating in mid-winter inconvenience. The Railroad Administration, admitting a huge deficit,¹⁷ was not eager to promote a settlement which would cost money at a time when its day of final accounting approached, and would have liked to procrastinate, apparently, until able to withdraw from its war activities. In the meantime, the state Public Service Commission had granted an increase of rates effective January 11, and Commissioner Corey was critical of the refusal of the company to continue the increased wages beyond the sixty day period.¹⁸

This little strike in the Blue Mountains of eastern Oregon brought nation and state, as well as the locality, to immediate attention. Like another little handful of men at Thermopylae, half a hundred determined men held their mountain pass and earned their place in history. There was scarcely a traitor among them to help the enemy around another way.¹⁹ The importance to all concerned of keeping the road in operation meant, of course, that attempts to run trains would continue

¹⁶Commissioner of Mediation and Conciliation, *Report on the Operations of the United States Board of Mediation and Conciliation, 1913-1919* (Washington, Government Printing Office, 1920), 52; *Baker Democrat*, January 26, 1919.

¹⁷*Baker Democrat*, February 2, 1919; *Oregonian*, May 10, 1921, p. 4.

¹⁸*Baker Democrat*, January 1, 7, 1919; *Oregon Journal*, January 5, 1919, Sec. 2, p. 1; *Baker Herald*, January 6, 17, 1919. The company's deficit for 1918 was \$93,562.14. Public Service Commission of Oregon, *Twelfth Annual Report*, January 1 to December 31, 1918 (Salem, State Printing Department), 123, 164-165.

¹⁹*Baker Herald*, January 20, 1919; *Baker Democrat*, January 21, 1919.

throughout the duration of the strike. An effort to get the mail train out January 2 failed because no one could be found to run it. There was no better luck the next day while freight and mail piled up by the ton and people living along the line who were stranded in Baker waited in vain for a chance to get home.

On Sunday, January 5, the town of Astoria, on the divide, was gladdened by the arrival of the first train, run by officials. Private transportation afforded some relief, but travel over 5000 foot passes became more primitive, and then impossible. A pageant from the past was enacted on January 12 when six two-horse freight wagons lumbered into Baker from Sumpter and returned the next day with mail and freight. Then came the "chinook" winds about the middle of the month, melting snow and rendering roads impassible for all vehicles. Fearing permanent closing of the passes by new snow, faced with impassible roads, importuned by panicky patrons and professing to despair of settlement in Washington, the officials decided to open the road whether or no. The first through train of the year, accordingly, left Baker for Prairie City on the seventeenth of January, returning the same day. The first freight train was sent out on the twenty-second, but none reached Prairie City until February 1.²⁰

There might have been little serious hardship because of curtailment of operations had it not been for the serious influenza epidemic of 1919 which struck terror into the hearts of members of isolated and helpless families. Doctors were practically unavailable in the small logging town of Austin, sixty miles from Baker, and forty-four cases of the disease were reported in the distressed community. A resourceful auto owner charged seventy-five dollars for a trip from Austin to Prairie City, twenty miles away over a poor mountain road. Since coffins were unavailable for victims, burials were made with muslin coverings.

Numerous telegrams regarding this situation and others less spectacular went flooding into Washington from mayors and commercial clubs of the towns affected, from the newly formed state Chamber of Commerce and from state officials.²¹ Local industrialists, of course, were immensely interested and active,

²⁰*Baker Democrat*, January 3, 4, 7, 9, 17, 18, 1919; *Oregon Journal*, January 4, 1919, p. 1; *Baker Herald*, January 2, 3, 8, 17, 18, 22, February 3, 1919.

²¹*Oregonian*, January 12, 1919, p. 4; *Baker Democrat*, January 1, 17, 1919; *Oregon Journal*, January 27, 1919, p. 1.

notably Frank Gardinier, Manager and Vice-President of the White Pine Lumber Company, who rendered important service as propagandist in favor of settlement. Mines were just beginning to find it profitable to reopen; lumber concerns were anxious to maintain production while prices were high; business interests in Baker were worried about loss of a \$200,000 payroll should industry suspend for the first time in twenty years; and the isolated communities were alarmed.²²

The Oregon Congressional delegation secured promises of government action and arranged a meeting for January 13 at Washington, D. C., between representatives of the railroad, the affected public, the employees and the Railroad Administration.²³ Though the government gave no similar relief elsewhere, and did not know where it would get the money, it promised that from \$25,000 to \$30,000 would be available to apply on higher wages.²⁴ Because of this award an amicable agreement was reached and employees resumed work on January 26 with seniority unaffected.²⁵

The Sumpter Valley Railroad dispute was a strike of the better type. It was entirely peaceful; there was a minimum of hard feelings; and enough of inconvenience to the public to bring pressure successfully for a mutually satisfactory outcome. The conduct of the men was the subject of this laudatory comment by the *Baker Herald*:

On every hand can be heard appreciation of the manner in which the striking men have handled this situation. Instead of Baker being the scene of public speaking and irritated gatherings, nothing but the most harmonious gatherings have been held and any thought of violence or property destruction has apparently been frowned upon by the men who have for many years pulled the Sumpter Valley trains in and out of this city.

²²*Oregon Journal*, January 1, 11, 17, February 2, 1919; *Baker Herald*, January 1, 13, 1919.

²³*Baker Herald*, January 2, 5, 13, 14, 18, 1919; *Oregon Journal*, January 6, p. 10, January 12, p. 13, January 14, p. 9, 1919; *Baker Democrat*, January 18, 1919.

²⁴*Baker Democrat*, January 23, 24, 26, 1919; *Baker Herald*, January 21, 1919.

²⁵*Baker Herald*, January 21-25, 1919; *Baker Democrat*, January 25, 26, 1919. Company officials were still hesitant about granting the increases because they considered the government allowance insufficient. The deficit for the Sumpter Valley Railway Co. for 1919 was \$33,783.06. Public Service Commission of Oregon, *Thirteenth Annual Report*, 127.

One employee who had been with the company many, many years said to the Herald today: "I hope the people will not get the wrong impression of us men who were forced to ask for higher wages in order to live. It was no small undertaking for us to witness the railroad that we have worked so hard to build and operate go idle. There is positively no feeling against anybody for our claims are based on justice only. We have not taken this step without deliberation and we are now going to stick to the end."²⁶

In this spirit a handful of men stood out for what they thought was just and necessary and, holding their little pass against the whole United States, they won.

Because of the intimate relationship between transportation and the cost of living, the railroads were especially involved in the argument about the "vicious circle" which some were urging generally as an argument against higher wages. Employers, in their appeals to the public against wage increases, claimed that the result of yielding to labor's demands would be "further advances in commodity prices and a still higher level in the cost of living, and so on *ad infinitum*."²⁷ Portland laundry owners, for instance, took to the advertising columns in September, 1919, to defend themselves against charges of paying indecent wages and of profiteering. They insisted that:

Help in laundries, as in other industries, require wages that are in keeping with the high cost of living, and they are getting it and will get more according to their loyalty and efficiency, but they know, as any sane person should know, simply chasing wages and costs around in a circle will not get what they desire.²⁸

Lauck and Watts summed up the labor viewpoint on the vicious circle by expressing the contention that it was high prices and high profits that created the inflationary spiral, with high wages an effect rather than a cause of the runaway ascension.²⁹ C. M. Rynerson, editor of the *Oregon Labor Press*, held that the cost of living would be within the reach of all if manufacturer and merchant were compelled to accept returns comparable to

²⁶January 21, 1919.

²⁷W. Jett Lauck and Claude S. Watts, *The Industrial Code* (New York, Funk and Wagnalls Co., 1922), 10.

²⁸*Oregonian*, September 19, 1919, p. 6.

²⁹Lauck and Watts, *loc. cit.*

laborers' wages.³⁰ He warned that capitalists would

... have folks believe that when the capitalist abandons war-time profits his living standards are lowered.

These profits have been so stupendous, especially in the basic industries, that the ingenuity of the most skilled accountants have been tested to conceal them.

Despite a nation-wide propaganda on high wages, government figures show that wages today or at any time during the war has not made pre-war living standards possible.

... When a capitalist talks about less profits this does not mean less wholesome food and warm clothing for himself and family.

But less wages means instant lowering of the worker's living standards.³¹

Putting the profiteer in his place was, for a time, a popular pastime in America. The *Astoria Evening Budget* favored prison at hard labor for such offenders.³²

Among the first to sense the disadvantages of their situation and to demand action were the railroad men. In the fall of 1919, sporadic, unauthorized strikes broke out; and the brotherhoods pressed their demands for wage increases, or as they preferred, for a reduction in living costs.³³ Even the conservative *Oregonian* praised the stand of the unions, thinking that it would "crystallize opinion" on the subject.³⁴ However, labor leaders had no intention of being satisfied with a mere pre-war balance between wages and living costs. A conference of national and international trades unions and executives of the four railroad brotherhoods held at Washington on December 13, 1919, called a wage based on the cost of living "pernicious and intolerable because it meant a fixed standard."³⁵ Instead, representatives of the railroad employees emphasized their demand for a living wage based on a higher standard of citizenship and home life.³⁶

From the President on down there were attempts to do something, but efforts were spasmodic and generally futile. "The rail-

³⁰December 27, 1919.

³¹February 25, 1921.

³²Editorial, "Living Costs," August 9, 1919.

³³Warne, *op. cit.*, 162f.; *Eugene Daily Guard*, August 1, 1919; *Oregonian*, August 1, 1919, p. 1, August 7, 1919, p. 3.

³⁴August 1, 1919, p. 10, editorial, "The High Cost of Living."

³⁵*Monthly Labor Review*, X (February, 1920), 340, 341.

³⁶H. D. Wolf, *The Railroad Labor Board* (Chicago, University of Chicago Press, 1927), 115f.

ways," said the President in an appeal issued on August 25, 1919, "are at the center of the whole process."³⁷ Already, on August 8, he had sent Congress a special message on the high cost of living in which he deplored the "vicious cycle" and strikes which only made matters worse.³⁸ The railroad brotherhoods heeded the President's request to bide their time while the government waged a war on profiteering and the high cost of living, promising wage readjustments in case of failure to accomplish reduction. Although, as operator of the railroads, the government had an especial incentive to try to accomplish what it intended, a prompt solution was not forthcoming. By April, 1920, the patience of the rank and file began to give way, and the unions were unable to prevent a widespread "outlaw" strike of two weeks' duration.³⁹

The return of the railroads to their owners on March 1, 1920, was doubtless partly responsible for the failure of the administration to keep its promise to adjust wages in case it failed to reduce the cost of living. The new Transportation Act of February 28, 1920, however, definitely specified that the cost of living should be a factor in the adjustment of wage scales. Indeed, the Railroad Labor Board set up under the Act was directed to go further and take into account hazards of employment, training and skill required, degree of responsibility involved, character and regularity of employment, and inequality of previous adjustments. First on the list, however, was the competitive principle, according to which the board was directed to take into account scales of wages for similar kinds of work in other industries. The law took away the right to strike, though it provided no penalty for striking. Since the scale of wages in effect under government operation was continued by the Act until September 1, 1920,⁴⁰ and since it seemed likely that a conservative reaction might swing the forthcoming political election, the chances for enactment of wage changes seemed remote. Furthermore, delay in appointing the Board and in setting up regional commissions as required by the act was exasperating to impatient employees.

On the ninth of April, 1920, switchmen in Portland and other

³⁷Quoted in Warne, *op. cit.*, 163.

³⁸*Ibid.*, 176-177; *Oregonian*, August 9, 1919.

³⁹Warne, *op. cit.*, 164-166; Wolf, *op. cit.*, 103-107.

⁴⁰*Decisions*, III, 427; *Monthly Labor Review*, X (April, 1920), 880-887; Lauck and Watts, *op. cit.*, Appendix G, excerpt from Transportation Act, 381f.; Wolf, *op. cit.*, Appendix I, Transportation Act (1920), 445.

Oregon centers left work in defiance of the ultimatums of the railroad executives, the anti-strike provisions of the Transportation Act, and the orders of their union officials. A Portland committee claiming to represent the International Yardmen's Association stated that the reasons for the walkout were: sympathy for strikes elsewhere; and wage demands of one dollar an hour instead of sixty-four cents.⁴¹ Workers at The Dalles, where the most orderly strike in Oregon was in progress, issued the following statement:

For the last two years we have been living on promises, and we have still remained loyal to our country. With the cost of living continuing to rise and the brotherhood officials remaining stagnant, the pressure was becoming unbearable, so a new organization was formed for the betterment of conditions . . . all we are asking is a living wage to cover the living conditions of the present time.⁴²

"Don't you ever take a vacation?" said one striker. "I haven't had one for quite awhile . . . besides I have to clean up my basement."⁴³

"The switchmen have been more or less disconnected [discontented]," said *The Dalles Chronicle*, "since the trainmen got an increase in wages, and their requests for an increase in pay, were ignored."⁴⁴ J. W. Merritt, spokesman for local switchmen made a statement:

We are residents of this city, most of us own our own homes. It is simply a case of getting more money so we can live like decent American citizens. Today, we are not receiving as much as common laborers, despite the risk of our jobs and the skill required.⁴⁵

Paul Griffin and C. W. McMahan complained that the men who cared for the switch lights received more pay than the switchmen. They said:

We have been put off with promises long enough. The government has promised us increases and what did we get?—just promises.

In self-defense we have left the old union of the B. of R. T. and have formed ourselves into an exclusive yardmen's union. . . . The old union has lost its viewpoint. Its officers are rich

⁴¹*Oregonian*, April 12, 1920, p. 6.

⁴²*Ibid.*, April 13, 1920, p. 2; *The Dalles Chronicle*, April 10, 1920.

⁴³*Ibid.*

⁴⁴*Ibid.*

⁴⁵*Ibid.*

men. They do not exert themselves for us. But we are not agitated by communists or I. W. W. We own our own homes here and by our conduct have earned recognition as respected citizens.⁴⁶

The latter part of the above statement was prompted by the ridiculous attempt of red-baiting Attorney General Palmer to brand the walkout as a communist movement. Yardmen at The Dalles wore their army overcoats as armor against overly zealous crusaders.⁴⁷

The *Oregonian* presented no more evidence to support its acceptance of the theory of I. W. W. origin of the strike than to state weakly that ". . . the strike leaders are likely to be Haywood and some of the I. W. W. leaders convicted with him," and that "the rich plunder of Russia" must be supporting the movement.⁴⁸ Later, however, the paper made a fair summary of part of the trouble. The strike, said the editor, was "the result of a blunder committed by the labor board . . . and of unconscionable delay in repairing that blunder and in readjusting wages generally. . . ."⁴⁹

Because of the switchmen's strike and the pressure from an inconvenienced public desirous of ending it, the new Railroad Board swung into belated action and asked the Interstate Commerce Commission to raise the money for wage increases. Switchmen, whose comparatively poor pay for hazardous work was a fact recognized by more fortunate employees, were given a raise from \$5.11 to \$6.00 per day, but the strikers either lost their jobs or were reinstated with loss of seniority.⁵⁰ The labor leaders, in presenting their arguments to the Board, opposed a wage based just upon the cost of living as providing "merely for the perpetuation of pre-existing standards," and pled for the principle of a wage in which the cost of living was only one factor.⁵¹

If the battle to maintain a living wage was of doubtful outcome during the period of increasing prices, the decline in costs made the struggle even more critical. This also is illustrated by railroad controversies. In the spring of 1921, with a new

⁴⁶*Ibid.*, April 15, 1920.

⁴⁷*Oregonian*, April 14, 1920, p. 4.

⁴⁸Editorial, "Where to Begin," April 15, 1920.

⁴⁹Editorial, "Warning from the Outlaw Strike," May 20, 1920.

⁵⁰*Oregonian*, June 23, p. 18, July 21, p. 1, July 31, p. 7, August 2, p. 1, 1920. The Pacific Coast was penalized by a 25 per cent increase in freight rates.

⁵¹Wolf *op. cit.*, 117-118.

government in power, the railroad companies flooded the country with propaganda to the effect that the roads were in serious condition because of large and unearned wages paid to workers. In a statement to the public in July, the executives complained that the rate of return on property investment—which the Transportation Act had fixed at $5\frac{1}{2}$ or 6 per cent—did not nearly approach the minimal return which had been stipulated as reasonable. They cited Interstate Commerce Commission figures to show that only 0.32 per cent had been earned on investment in 1920. Wages, they said, took 40 cents out of every dollar paid out by the railroads.

In view of these facts, the executives asked that the entire increase allowed by the Railroad Labor Board on July 20, 1920, be wiped out, an action which would mean a cut of about 10 per cent in addition to the 12 per cent reduction already ordered by the Board effective July 1, 1921. Leaders of the employees at about the same time ordered a vote which resulted in the calling of a strike for October 30. Brotherhood officials cited disregard of decisions of the Railroad Labor Board and cancellation of union rules by the companies; they referred to President Wilson's promise of an increase in wages and to the justice of the long-deferred 1920 award. Finally, upon assurance that the Board did not propose "to take any action on wage applications until it is definitely known what working conditions apply," the strike order was withdrawn. A warning was issued to the effect that members of any organization calling a strike would forfeit all rights under existing contracts and all rights to consideration on the part of the Board. The controversy was declared ended October 29.⁵²

On May 28, 1922, the Railroad Labor Board handed down a decision effective July 1 reducing the pay of maintenance of way employees and railway shop laborers (No. 1028, Docket No. 1300); and on June 6 it reduced the pay of railway shopmen, including machinists, boilermakers, blacksmiths, electrical workers, sheetmetal workers, carmen and apprentices (No. 1036, Docket No. 1300). The majority of the Board was proud of the fact that it had left wages slightly higher than those paid for

⁵²*Ibid.*, 138f., 227; Mark Sullivan, "Union Heads Flout Labor Board Court," *Oregonian*, October 20, 1921, p. 6; *ibid.*, February 1, p. 1, March 15, p. 2, June 1, p. 1, September 19, p. 1, November 9, p. 5, 1921; "The Threatened Railroad Strike," *Monthly Labor Review*, XIII (December, 1921), 1328-1347; *ibid.* (July, 1921), 143-151.

similar labor in other industries, acting on the principle that additional hazards, responsibility to the public and necessity for above average training and skill should be figured in establishing a wage. It professed to be "not in sympathy with the idea that a government tribunal, empowered to fix a just and reasonable wage . . . should be controlled by the one consideration of low wages that may be paid to other labor in a period of temporary depression and unemployment. . . ."⁵³ In other words, the Railroad Labor Board did not feel obliged to maintain a certain living standard for its employees, but acted, rather, according to a liberalized principle of a competitive wage.

The three labor members, in dissenting from the reduction for maintenance of way men, enunciated the labor view as to a standard of living. They charged that the award merely perpetuated the low pre-war level which was the "product of inequitable wage bargains," and which was considerably below any minimum standard of existence yet formulated. The decision, they asserted, was not "based upon the human needs of the hundreds of thousands of families involved." Relative to the decision on shopmen's wages, the dissenting opinion complained that it, too, rested "upon no consideration of the human needs of the employees affected . . .;" and they protested against "the increasing antithesis between profits and just wages. . . ."⁵⁴ "*A Just Wage,*" they said, "*Must Be a Family Wage.*"⁵⁵

On June 17, a letter was addressed to the Railroad Labor Board by representatives of the Railway Employee's Department of the American Federation of Labor stating that, due to accumulated dissatisfaction with the Board's decisions, strike votes were in progress. On June 28, the railroad executives were advised that there would be a strike July 1 unless there was an adjustment of grievances before that date. The threatened event materialized on schedule with a walkout of about 400,000 shopmen that was nearly 100 per cent effective. On July 3, the Board issued what strikers called the "outlaw resolution" recommending the formation of company unions to replace the organizations thus formally read out of their former connection with the carriers and with the Railroad Labor Board. Strike-breakers were declared not to be such, and were to have the protection of

⁵³*Ibid.*, XV (July, 1922), 93-95; Wolf, *op. cit.*, 221.

⁵⁴Wolf, *op. cit.*, 227-228; *Monthly Labor Review*, XV (July, 1922), 96-101.

⁵⁵*Decisions*, 1922, 444.

every department and branch of state and national governments. Ultimatums were then issued by various railroads marking time limits within which strikers must return to work if they were not to forfeit seniority. To prevent the spread of the walkout, non-striking employees were upheld in their refusal to do strikers' work, as was the case at Roseburg, Oregon.⁵⁶ Because of the growing seriousness of the strike, President Harding on July 11 issued a proclamation scoring shop craft employees for striking and certain operators for ignoring the decision to abandon the contracting of shop work, and warning "all persons to refrain from all interference with the lawful efforts to maintain interstate transportation and the carrying of the United States mails."⁵⁷ Shopmen, in their reply, after setting forth their grievances, gave warning that attempts to operate with incompetent strike-breakers would result in increased interruption and interference until there should be agreement upon "just and reasonable wages."⁵⁸

Since conferences were refused by executives, negotiations which followed were informal and unsatisfactory. The principal question at issue concerned seniority on which both sides were firm.⁵⁹ On September 1, Attorney General Dougherty obtained an injunction, modified and extended on September 25, forbidding labor leaders and strikers from attempting to interfere with transportation or with the operation of railroads. The men were forbidden to trespass on railroad property or to use any form of intimidation or violence.⁶⁰ Finally, on September 13, through negotiations between S. Davies Warfield, Chairman of the National Association of Owners of Railroad Securities and President B. M. Jewell of the shopmen, a settlement was reached between about fifty railroads and their striking employees.⁶¹ The roads signing the agreement generally reinstated the strikers with seniority unaffected except that foremen were commonly supplanted by "loyal" men. Shopmen went back at the wages

⁵⁶Margaret Gadsby, "Strike of the Railroad Shopmen," *Monthly Labor Review*, XV (December, 1922), 1171-1174, 1182-1189; *Roseburg Weekly News Review*, July 1, 1922; Wolf, *op. cit.*, 238-242; American Federation of Labor, *Report of the Proceedings of the Forty-third Annual Convention* (Washington, Law Reporter Printing Co., 1923), 100-103.

⁵⁷Gadsby, *op. cit.*, 1174; Wolf, *op. cit.*, 243.

⁵⁸Gadsby, *op. cit.*, 1174-1175.

⁵⁹*Ibid.*, 1175-1179; American Federation of Labor, *Proceedings*, 1923, 103-104; Wolf, *op. cit.*, 243f.

⁶⁰*Monthly Labor Review*, XV (October, 1922), 888-890; Wolf, *op. cit.*, 253-256; Gadsby, *op. cit.*, 1179-1181.

⁶¹Gadsby, *op. cit.*, 1181-1182; Wolf, *op. cit.*, 256-258; A. F. of L., *Proceedings*, 1923, 104-105.

and working conditions against which they had struck but were forced to accept a partial and imperfect settlement of the seniority issue. The strikers claimed credit for halting the downward trend of railway wages, and for dramatically calling to the attention of the public violations of the decisions of the Railroad Labor Board by carriers. General dissatisfaction with the labor provisions of the Transportation Act was a result of the strike.⁶²

Of the 400,000 shopmen affected by the strike order, about 3000 were in Oregon. Among the places affected were Ashland, Beaverton, Eugene, Grants Pass, Huntington, La Grande, Portland, Rieth, Roseburg, The Dalles and Umatilla. In these localities ultimatums were served by various railroads promising loss of jobs and loss of seniority to the strikers and protection and tenure to "loyal" workers. Advertisements renewed the promises to strikebreakers and quoted the Railroad Labor Board to reassure them that they were not "scabs" but were rendering patriotic service to their country. Armed guards in small towns were obviously unnecessary and provocative, and called for sharp comment. When public opinion forced issuance of an order disarming company deputies at La Grande a minor strike of guards followed.⁶³ Indiscretions of company-paid police in handling weapons led to protests by strikers in Portland as well as in La Grande and Eugene. They asked that strike-breakers be disarmed before leaving railroad premises, and requested that some of their own number be deputized to keep order.⁶⁴ In denying reports of a sympathetic strike, H. R. Hix, General Chairman of the Brotherhood of Locomotive Firemen and Enginemen on the Southern Pacific, said: "The point that must be settled is the habit of these armed guards in shoving guns into the men's stomachs as they go home from work."⁶⁵

The atmosphere of tension which the presence and amateurishness of armed company guards needlessly aggravated did re-

⁶²*Oregonian*, September 15, 1922, p. 8, editorial; *Eugene Daily Guard*, August 15, 1922, editorial, "Labor Situation Badly Bungled"; reply in *Oregonian*, "Another Twister," August 16, 1922; Mark Sullivan, "President's Course Held Unfortunate," *Oregonian*, September 8; A. F. of L., *Proceedings*, 1923, 105-109; Gadsby, *op. cit.*, 1190-1191; Wolf, *op. cit.*, 259-260.

⁶³*Oregonian*, July 2, p. 1, 4, 6; July 4, p. 2, 29; July 6, p. 6, 15; July 8, p. 1; July 9, p. 3, 1922; *Oregon Labor Press*, July 14, 21, 28, 1922; *Eugene Daily Guard*, July 1, 1922; *Albany Evening Herald*, July 1, 1922; *Ashland Weekly Tidings*, July 19, 1922; *Grants Pass Observer*, July 5, 1922; *Pendleton East Oregonian*, July 1, 7, 1922; *Roseburg Weekly News Review*, July 6, 1922; Board of Labor Statistics, Oregon, *Tenth Biennial Report*, 54.

⁶⁴*Eugene Daily Guard*, July 1, 1922; *Oregon Labor Press*, July 7, 21, 1922.

⁶⁵*Oregonian*, August 14, 1922, p. 2.

sult in some brawls and violence, especially around the Albina shops in Portland; but strike-breakers, strikers and curious outsiders were perhaps about equally involved in the disorders which continued into the autumn months.⁶⁶ Up to the time that the state-wide restraining order was granted by federal Judge Wolverton in July, all arrested strikers had been acquitted when tried. When, on the afternoon of the first of August, a number of strikers called for their pay at the O. W. R. and N. shops, there was considerable verbal abuse of the strike-breakers as they left work for the afternoon. Complaint was lodged against twenty, but of the fourteen tried for contempt of court, only three were sentenced on August 29. Although the two given jail sentences were men with large families, the railroads refused to intercede in their behalf and they began to serve their terms on November 15.

The *Oregonian* was, in general, a partisan of the majority of the Railroad Labor Board.⁶⁷ It considered a strike against a ruling by a public tribunal, or a tieup of public service, positively immoral and not to be defended, condoned, or left unpunished. Wages, said the editors, had risen above the cost of living since August, 1920, leaving the employee at an advantage. In this stand, the leading Oregon newspaper doubtless was supported generally by business interests for which it was regarded as a spokesman. Pacific coast employers were naturally more insistent on unbroken railroad service than were employers in some sections less isolated from markets.⁶⁸ It is not strange that, for similar reasons, the Southern Pacific, the Union Pacific (O. W. R. & N.) and the Spokane, Portland and Seattle Railway should have been among the roads most opposed to the union position.

Although they gave considerable emphasis to the principle of the living wage by their strikes, 3000 Oregon workers and 400,000 United States railway shopmen lost their battle against wage reductions. Lessened earnings of railroads and panicky reactions of affected business interests weighed more with the Rail-

⁶⁶*Ibid.*, July 8, p. 1, July 18, p. 12, August 18, p. 16, September 20, p. 11, 1922; *Oregon Labor Press*, July 7, 14, 1922.

⁶⁷Editorials, June 29, 30, August 3, 10, 14, 21, 25, 26, 27, 30, September 1, 3, 4, 5, 6, 8, 1922.

⁶⁸*Oregonian*, March 11, p. 1, April 18, p. 17, 1921. The Southern Pacific announced a wage cut. In April, E. C. Sammons, Assistant Cashier of the United States National Bank returned from a visit to financial centers to agitate for cuts in prices, wages and freight rates.

road Labor Board than did the standard of living of laborers. Although, theoretically, a fair standard of living, taking into account hazards, training and skill, was upheld as a basis for wage adjustments, the competitive idea prevailed.

The War Labor Board, the Macy Board, the Marine and Dock Industrial Relations Division of the Shipping Board and the Railroad Labor Board each and all, in varying degrees, accepted the principle of the living wage, but this principle was stretched to conform to matters of expediency. At best, the government's adjustment tribunals rarely deigned to alter the *status quo ante bellum*. National pride or desire for business prosperity usually overbalanced human considerations when the test came.

It was a small matter for a great government to come reluctantly to the rescue of a handful of underpaid men in the Blue Mountains; but an international organization, the Seamen's Union, had to accept wage reductions in order that the American Merchant Marine might meet competitive conditions. The Emergency Fleet Corporation strenuously opposed an increase over the 1918 Macy scale for Pacific coast shipbuilding laborers lest a similar rise become necessary for the Atlantic coast workers. Even the decisions of the War Labor Board were based on the pre-war status rather than on changing human needs. When the government failed to keep its promise to raise the wages of railroad laborers, but when "outlaw" strikes stung the Railroad Labor Board into overdue action, an honest attempt was made to provide a "decent living" for the men. Within a year, however, the Board had swung into line with the general wage reduction movement as the executives drove for elimination of the 1920 increases. The reductions that followed were based, not on the principle of the living wage, but rather on competitive conditions liberally interpreted.