

CAUSE OF THE STRIKE.

RE-ADJUSTMENT OF WAGES TO LOWER PRICE OF BILLETS.

A Drop from a Minimum of \$25 to a Minimum of \$22 the Basis of the Re-modeling—How Carnegie Regan Life and What He Has Acquired—How Electricity, Hot Water, and Other Agents May Be Used to Protect the Works—What Employes Say.

HOMESTEAD, Pa., July 6.—[Special.]—It is at the door of Andrew Carnegie, the millionaire iron king, that the Amalgamated Association of Iron and Steel Workers lays all its trouble. In the great fight between capital and labor that is now in progress at Pittsburgh Mr. Carnegie is looked upon by the labor people as the great general of the capitalistic faction. This is not the big millionaire's first appearance before the public, and fighting labor organizations is not his only rôle. He has not only been much written about, but he occasionally "takes his pen in hand" and does a little writing on his own account aside from signing checks.

He Was a Poor Boy.

Mr. Carnegie was a poor boy when he came to Pittsburgh with his parents from Scotland, and began business life as a telegraph messenger. When he had earned and saved a little money he bought an interest in a small foundry, and he made his first million by the manufacture of steel rails. Today he is the largest manufacturer of pig-iron steel rails, and coke in the world. He has a house on Fifty-first street, near Fifth avenue, in New York; a residence in Pittsburgh, a summer-house in the South, a Highland castle in Scotland, and an English manor near the Ascot race track, where he is living at present. He owns iron furnaces, mines, railroads, and a syndicate of English newspapers.

A steel billet is four inches wide and deep and of varying lengths. It is to the steel manufacturer what pig-iron is to the iron manufacturer. It was made the basis of a sliding scale of wages, which Mr. Carnegie and the Amalgamated Association of Iron and Steel Workers signed three years ago. The market price of steel billets as quoted on board cars at Pittsburgh was to govern the pay of the men who used their brain and brawn and muscle and energy in operating the furnaces and mills of the Carnegie interests. When the scale was signed in 1889, after a strike which was marked by exciting scenes and some bloodshed at Homestead, the market price of steel billets was \$28. The minimum price, for the purposes of the scale, was never to be below \$25. It did not remain at \$28 long.

As he manipulated the steel-rail industry years ago, so Mr. Carnegie began to manipulate the steel billet industry. From \$28 a ton the price of steel billets dropped to \$22. During the three years just ended the minimum price for the sliding scale was \$25, and the employes at Homestead have been paid accordingly. Even at \$22 a ton Mr. Carnegie is so amply protected against foreign competition that he has none.

What Homestead Employes Say.

"As the price of steel billets is reduced," the Homestead employes say, "so are our wages reduced. Steel billets were made the basis of our scale, but we make very few steel billets at Homestead now. Their manufacture has been transferred to a Carnegie mill where non-union men are employed, the same as steel rails were taken away from us after Carnegie had obtained control of the market. Steel billets are down to \$22 now, and Carnegie makes that price the basis of the new scale he proposes. He also includes a reduction of individual wages of from 12 to 40 per cent, and insists that the new scale expire on Dec. 31, in midwinter. In his statements of the present difficulty nothing is said of the reduction in wages or of the change in the time at which the scale terminates. His argument is that the last scale was signed when steel billets sold at \$28, with a minimum of \$25, and that now the price has fallen to \$22. The new scale, he says, is based on a \$22 minimum. He tells the public nothing about the reduction of wages, which will average nearly 30 per cent for each individual, nor of the stipulation that the next scale must be signed in midwinter."

The various interests of Andrew Carnegie, including the Edgar Thomson steel works at Braddock, the mills at Duquesne and Beaver Falls, the Twenty-second and Thirty-third street mills in Pittsburgh, the H. C. Frick Coke company, and the mills controlled by Carnegie Bros. & Co. and Carnegie, Phipps & Co. were all consolidated July 1 under the title of the Carnegie Steel Association. The mills at Homestead were controlled by Carnegie, Phipps & Co. When H. C. Frick sold a large part of his coke interests to Carnegie he was given many shares in the new association and made Chairman of the Board of Trustees, the executive head of the combined Carnegie-Frick interests. Mr. Frick is known as a bitter foe of organized labor. The strike of his Hungarian coke miners showed the extent to which he is willing to go in order to crush out a trades union.

The negotiations between Mr. Carnegie's representatives and the Amalgamated Association, to which all his skilled workmen at Homestead belong, were short. Chairman Frick submitted a scale which had steel billets at \$22 a ton as a minimum. This in itself was a 12 per cent reduction on the scale which has just expired. In addition there were reductions of wages even upon the \$22 basis. These reductions run from 12 to 40 per cent for each workman. Finally, there was an article which fixed the expiration of the scale not July 1 as heretofore, but Dec. 31. One conference was held June 23.

Gives the Ultimatum.

Representatives of the Amalgamated Association stated that the new scale contemplated such sweeping reductions that the men were not prepared to sign it. Chairman H. C. Frick expressed a willingness to discuss the \$22 basis. The association representatives asked for the old scale. Finally they agreed to accept a minimum price for steel billets of \$24 a ton. After a long delay Mr. Frick asserted that the Carnegie interests might concede a dollar and make it \$23. There was \$1 between them then.

The association's representatives suggested that the reductions, averaging 30 per cent, be discussed, pending the settlement of the minimum price. Mr. Frick became uppish at once.

"No, gentlemen," was his reply, "there is our ultimatum. Sign that before midnight of June 24 if you choose. There will be no conferences after that hour."

The association's committee withdrew and there were no more meetings. The matter of signing the scale in midwinter was not discussed.

Mr. Carnegie's representatives at once began the fortification of the works at Homestead. Notwithstanding that the Amalgamated Association has been in session here all this week and that the scale has been signed by several of Mr. Carnegie's competitors, no further move has been made on the part of the ironmaster to meet the Amalgamated Association.

Steel Works at Homestead.

The great steel works at Homestead occupy a space of 110 acres and include over a dozen immense structures and scores of small shops and sheds. Among the various departments are those known as the converting mill, where Bessemer steel is made; the beam mill, the largest in the world; the plate mill, where steel plates are rolled; the armor plate mill, where the heavy plates for the new government cruisers have been made; the open-hearth mill, the finishing department, the 10-inch mill, the 22-inch mill, the 119-inch mill, and the big press-room where the plates are pressed. The water for the works is pumped from the Monongahela River, and the daily supply would be adequate for a city of 50,000 inhabitants. One hundred and fifty boilers furnish the steam required for the immense Corliss engines, the pumps and other machinery, and natural gas from the Carnegie company's own wells is used as fuel. The output of these works is four times as great as that of the Krupp works in Germany. The average number of workmen employed is over 4,500.

Last year the Carnegie company purchased the City Farm of over 100 acres which was adjacent to the steel plant. The city will occupy it for one year longer, but it is claimed by the Carnegie company already and it has been

surrounded by a high barbed-wire fence, the same as that inclosing the steel plant.

Preparations for War.

ABOUT six weeks ago, in anticipation of the coming conflict between the Carnegie interests and the workmen, a stout board fence twelve feet high was built upon a foundation of slag three feet high, completely surrounding the steel works. This fence is three miles long. On the top are strung three strands of barbed wire so connected that a current of electricity may be sent through them from the electric plant by the simple turning of a switch in the office. Portholes four inches in diameter have been bored along this fence at the height of a man's eye. Trenches have been dug over all parts of the works to various points along the fence where hydrants are stationed. Connections have been made so that either cold or boiling-hot water can be sent through these pipes to the hydrants. Hundreds of arc lights have been strung on high poles throughout the plant, and along the fence and on all buildings near the roadway search-lights have been placed.

Railroad tracks run up between the office of the company and the fence surrounding the works near Munhall Station. An additional fence has been built about the office, and a bridge forty feet high has been strung across the tracks, connecting the office with a building inside the works. A search-light has been placed upon this bridge, and also a sentry-box like those surrounding the walls at Sing Sing and other prisons.

On the top of a high wooden building, which is near the office and the roadway but inside the fence, a platform has been erected and preparations made for a photographic apparatus. This is to be used for instantaneous pictures by the flash-light process in case an attack is made upon the office. These pictures would be an excellent means of identification should Mr. Carnegie's representatives wish to lay a charge of riot or a more serious charge against the union workmen.

Alongside the tracks of the "Pee Mickie" railroad, near where it enters the works from the river, an elevated platform has been erected and alongside of it a large building to be used as a barracks.

The Town of Homestead.

The pretty little Town of Homestead lies on the south bank of the Monongahela River, seven miles east of Pittsburgh. It is built on 1,000 acres of land lying in a great bend of the river and rising gently by terraces to sloping hills and knolls. The town is about thirteen years old. It has been built, not by the Carnegies, but the Carnegie workmen. Most of the residences in Homestead are owned by their tenants.

The Burgess, the members of the Council, and most of the other town officers are men who work in the mill. The Constables, the police officers and many of the storekeepers are men who have at one time or another worked in the mill. Homestead has 12,000 inhabitants. Its suburbs, Munhall, Six Mile Ferry, and Mifflin Township have interests identical with it. To the people of these towns cessation of work at the Carnegie mill means everything. It means that instead of \$80,000 received by the workmen every two weeks nothing is to come.