

# Costs Blamed for Coal Industry's Failure to Gain Full Development

Miners Capable of Producing 850 Million Tons Yearly; Got 435 Million in 1949

By VICTOR PETERSON

The bituminous coal industry today realizes it struggles for survival.

Here is an exclusive look at the coal picture as seen through the eyes of the industry in a critical self-analysis. A nationally known economist has just completed a survey of the current crisis and noted economic proposals for future growth of the industry.

Bituminous coal, one of the largest reserves of mechanical energy for American industry, is capable of producing for centuries. However, the cost of coal is considered too high as shown in lagging growth since World War I, declining sales and a comparison of price with competing fuels.

**Yearly Output Estimated**  
The nation's miners, some 400,000, in 8000 mines are capable of producing 850 million tons of coal a year. This is what the industry believes should be produced and consumption if coal had expanded in conformity with American industry in the past quarter century.

Yet last year the nation bought only 435 million tons. Some 80 per cent of production goes to industry, the remainder to domestic use. The flow of products from industry was up 135 per cent last year over 1920 but coal output was 20 per cent less than 30 years ago.

Coal was 12 per cent cheaper in 1916 than 1890 with consumption up four times. By 1929 coal was twice the nation's general price level, some 100 per cent higher than 1916 and consumption off 12 per cent.

**Other Factors Cited**  
The survey notes expanding production, unless accomplished by a high degree of mechanization, will not bring much decline in coal prices for 60 per cent of mine costs are attributed to labor.

Other factors add their share. Marketing costs and methods need to be changed. Since '38 freight rates have risen 50 per cent and handling charges, largely labor, have nearly doubled. Increase flow of coal does not decrease cost in proportion as each carload is handled as a single unit though 1000 cars may be shipped.

This, the economist says, is not the case in gas and oil sent coursing over the nation by pipeline. Here the volume flow brings decreased cost.

**Urges Sharper Bargain**  
In the struggle for survival it is suggested the coal industry drive a sharper bargain with railroads on freight rates. Reciprocity of rate is not as important today, the survey says, for more railroads are changing to diesel fuel. The railroads used less coal in 1949 than in 1933, the worst year of the depression.

Other forms of transportation should be investigated imaginatively with marketing of coal as electrical energy one form. The coal industry today is spending money widely in research whereby power plants might be located in the heart of mining areas. The coal burned at the source, heat being pumped to homes and factories.

Also considered is the conversion of coal to oil and gas with shipment by pipeline. Both of these fields still are locked in the minds of scientists.

An immediate antidote, and the speediest method of reducing costs, would be to reduce wages. High wages, the survey says, brought increased mechanization, attracted more workers to the mines and created a labor surplus.

**65,000 Surplus Noted**  
The surplus, noted in 1947, was 65,000. That year 419,000 miners working 234 days produced 630,624,000 tons of coal. Some 353,338 miners working the full year could have produced the same amount. All working a full year could have brought out 744 million tons if prices had been low enough to sell it. In 1948 the surplus of labor neared 100,000 miners.

A second method of dropping prices is the ultimate in mechanization. Such a venture reduces the number of men required and would effect a wage savings. To do this, however, the coal industry would have to invest as much as a billion dollars, money it does not claim to have.

The survey says the coal industry needs larger profits to effect the mechanization and thus

## Jenner Plans Attack on Foreign Policy

Hoosier Senator to Demand Withdrawal From Germany, Japan

By DAN KIDNEY

WASHINGTON, Mar. 6.—Sen. Jenner expected to take the Senate floor today and denounce U. S. foreign policy as a complete failure everywhere.

He will urge that peace be made now with Germany and Japan.

This would mean withdrawal of American troops from these occupied countries and fit neatly into the Stalinists' expansion plans. No Senator denounces communism more than Sen. Jenner, however. But he long has argued that we cannot "contain" it and should withdraw and spend the money on our own home grounds.

The Junior Senator will again attack the bipartisanship of the Senate Foreign Relations Committee and demand that it be ended.

Sen. Capehart, who like Sen. Jenner voted against the Marshall Plan, Economic Recovery Administration and arms aid, recently admitted on a TV show that ECA had stopped the spread of communism in Western Europe. He also wants ECA spending stopped or curtailed, however.

**Asks Coal Study**  
Sen. Capehart took issue with Majority Leader Scott Lucas (D Ill.) on the necessity of congressional action to stop coal strikes. When the John L. Lewis contract agreement was announced, Sen. Lucas said such legislation no longer was needed.

Citing the suffering in Indiana because of the coal crisis, Sen. Capehart insisted that the Congress act now to prevent such a situation ever recurring. Today he declared that while he didn't have any specific legislative remedy, he thought the matter should be studied until a solution is found.

Meanwhile Rep. Ray Madden, (Garry, Democrat, introduced a House resolution asking for a special committee to make such a study. He contended that collective bargaining in coal and other strike-bound industries broke down and caused a crisis because of the Taft-Hartley Law. He is for its repeal.

Defense of the Taft-Hartley Law was reiterated by Rep. Charles A. Halleck, Republican of Rensselaer. He blamed President Truman for the coal crisis.

Sen. Capehart is going to New Haven, Conn., tonight where he will address the Yale University forum on governmental problems. There will be a question period.

**Events Today**  
Indiana Association of Ice Industries—through Wednesday, Lincoln. Service Club—noon, Claypool. Traffic Club—noon, Marlet. North Side Optimist Club—noon, Marlet.

**Events Tomorrow**  
Indiana Association of Ice Industries—through Wednesday, Lincoln. Indiana Farm Bureau Cooperative Association—through Wednesday, Claypool. Rotary Club—noon, Claypool. Co-Operative Club—noon, Washington. North Side Kiwanis Club—noon, Marlet. Lutheran Service Club—noon, Lincoln. Mercantile Club—noon, Lincoln.

**BIRTHS**  
At Home—Clifford, Jewell Sullivan, 653 Division, boys.  
At St. Francis—John, Ruth Johnson; Carl, Margaret Hancock, Clyde, Julia Wicks; Richard, Frances Weiss, Claude, Helen Sommer; Lewis, Wilma Collier.  
At General—William, Kay Johnson.  
At Coleman—David, Virginia Wallace; Thomas, Ruth Maenon; Maria, Schorstein; Phillip, Mary Moon; Dallas, Mildred Vannoy; George, Shirley Johnson; Morton, Edith Goldberg; Jack, Mary Chandler; John, Eleanor Deal.  
At Methodist—Gilbert, Elizabeth Borden; Harvey, Edie Keller; Charles, Fern VanHook; Charles, Florence Bailey; Jack, Emily Hawk; Cecil, Irene Gales.  
At St. Rosemary—Reinhold, Bernard; Lucille Walton; Leonard, Betty Demers; Carl, Margaret Bloomer; Joseph, Patricia Kille; Joseph, Betty Demers; Jack, Bonnie Salter; Orville, Julia Marshall; Daniel, Shirley Lacy; Donald, Patricia Harris; Richard, Mary Foreman.  
At St. Vincent's—Orville, Ruth Wodtke; Webster, Glenora; at St. Vincent's, Ruth, Rebecca.  
At St. Francis—Donald, Marjorie Morlock; Herbert, Donna Farrell; Robert, Mary Winkler.  
At General—Lawrence, Elizabeth Taylor; Allan, Beverly Jackson.  
At Coleman—William, Joe Enel; Gustave, Justina Grete; Guy, Justina Holman; Robert, Margaret Rees; Robert, Robert; Stanley, Mary Warner; Robert, Chas. Lowe; Warren, Ann Polhemus.  
At Methodist—Paul, Pauline Anderson; Leonard, Virginia Brandt; Donn, Via Gardner; William, William; Maurice, Ellen McFarland; Robert, Fred; Sigurd, John; Mary, Mary; John, John; Nancy, Nancy; Donald, Donald; Walter, Richard; Madeline, Madeline; Charles, Gertrude Poole; William, Mary Redenberger.

**DEATHS**  
Herbert Litzell Gregory, 54, at Central, myocardial infarction.  
Fannie Belle Walker, 66, at Long Hospital, carcinoma.  
John Wayne Smith, 15 mo., at Methodist, enteritis.  
Christopher, Frank Hetherington, 59, at 1431 Crest, carcinoma.  
James J. Keener, 60, at 1616 Rembrandt, carcinoma.  
John W. Randolph, 78, at 1615 Massachussetts, coronary thrombosis.  
Sharon Kay Doty 10 mo., at Methodist, influenza.  
Carroll Katherine Buren, 80, at Long, influenza.  
John M. Bennett, 76, at 521 N. Lynn, thrombosing heart.  
Samuel Toole, 83, at 115 S. Audubon, pneumonia.  
Mary Riter Nicholas, 97, at 2424 N. New Jersey, coronary occlusion.  
Clara Belle Warner, 48, at Long, diabetes mellitus.  
Ernest W. Martin, 75, at 3250 Pleasant Run Blvd., North Drive, arteriosclerosis.  
Anna M. Hamford, 42, at 1862 N. Oxford, carcinoma.  
Martha Charles Bishop, 85, at 2201 N. New Jersey, influenza.  
Arthur Ford, 69, at Methodist, chronic myocardiitis.  
Amanda Brit Griffin, 66, at St. Vincent's, pneumonia.  
Clara B. Venable, 51, at 3033 Boulevard, diabetes mellitus.  
Wallace Hall, 41, at Methodist, cardiovascular renal.  
Lilla Mae Palmer, 86, at 2177 Crittenden, cardiovascular renal.  
John Alexander Schuck, 66, at 105 S. Meridian, coronary occlusion.  
Claudine Smith, 85, at Methodist, rheumatic heart.  
Clarence Edward Gray, 67, at 1247 S. Shopton, coronary occlusion.  
Joseph A. Fortner, 62, at Veterans', carcinoma thrombosis.

**DIES OF AUTO INJURIES**  
EAST CHICAGO, Mar. 6 (UP)—Edward Boyle, 49, died today at St. Catherine's Hospital here of injuries suffered when he was struck by an automobile Saturday night.

## Discusses Plans for Reopening Schools Tomorrow



William Evans, public schools administrative assistant, discusses plans for opening classes tomorrow during a meeting of school principals today in Cropsey Auditorium. Schools were closed during the coal strike.

## IU Gets Valuable Lafayette Lore

BLOOMINGTON, Mar. 6 (UP)—Indiana University today had what was regarded as one of the leading collections on the Marquis de Lafayette, gift of a donor who school officials said preferred to remain unknown.

The Lafayette collection, including more than 8500 items, was classified as the most important compilation of historical documents received by the university since the gift in 1942 of the Indiana-Oakleaf Library, one of the leading Abraham Lincoln collections in the country.

Addition of the Lafayette collection, said President Herman B. Wells, made the IU library one of the most important centers for anyone seeking source material on the early days of the republic.

## Leaking Gas Fatal To South Bend Couple

SOUTH BEND, Mar. 5 (UP)—A leaking gas main apparently was responsible for the deaths of Ferdinand Kusmick, 61, and his wife, Elizabeth, 57, whose bodies were found today.

A neighbor asked police to investigate, reporting he had not seen them since early Saturday.

Dr. T. C. Goveski, St. Joseph County coroner, said his verdict will be accidental death.

## Views Differ on Reasons For Sudden Coal Accord

Some Say Steel Was Too Short of Fuel; Others Cite Fears of Seizures by U. S.

By FRED W. PERKINS, Scripps-Howard Staff Writer

WASHINGTON, Mar. 6.—There's considerable disagreement on both sides over what caused the sudden settlement between coal producers and the United Mine Workers.

The contract was signed after nearly a year of bickering, short work weeks and a prolonged strike.

A spokesman for southern coal producers said the reason was that "steel was running out of coal"—that big-steel companies were reluctant to order more production cuts and, therefore, brought pressure on the northern western operators to make an agreement.

A Northern spokesman said the settlement was brought about mainly by President Truman's request to Congress for power to seize the coal industry. This spokesman said both sides objected to the seizure proposal.

John L. Lewis, the union president, said the contract was signed because the operators gave up union could have obtained the new after the union was acquitted last week of contempt charges in a federal court.

Other operators said that it was a Lewis retreat, particularly on old contract clauses affecting continuity of coal production, that made it possible for them to sign the new document.

They trace this retreat to a court order that had the effect of removing several highly controversial issues from the bargaining table.

John Battle, executive vice president of the National Coal Association, said that the miners' contract six months ago if it had been willing then to give up the production-control clauses.

Two teen-age boys, caught in the act of burglarizing a N. State St. cleaning establishment early yesterday, were to be arraigned today in Municipal Court on pre-burglary charges.

A third boy, who police said was 15 years old, was held for action by juvenile authorities.

Thomas Long, 19, of 516 E. New York St., and the younger boy, were found by police in the Davis Cleaners, 250 N. State St. Acting as a lookout on the street, police said, was Fowler Mundy Jr., 19, of 522 E. Miami St.

Two other stores operated by the Davis chain, also were burglarized over the week-end.

**Michael D. Baugh Rites Wednesday**  
Services for 13-year-old Michael before he became ill a year ago, D. Baugh, son of Mr. and Mrs. Ervin Baugh, 1437 S. Belmont Army Boy's Club. He was a native of Indianapolis.

In addition to the parents, he is survived by two brothers, Jackie and Ronald; a sister, Dixie, and the grandparents, Mrs. Mabel Baugh and Mr. and Mrs. Ralph Davidson, all of Indianapolis.

L. S. Ayres & Co. FRANKLIN 4411

CLOSED MONDAYS  
SHOP TUESDAY THRU SATURDAY  
9:00 TO 5:25



Eylet-Lace has been added

to your Bill Sims  
Cotton Dress

3.95

in misses', women's and half sizes

An oh-so-comfortable zipper front

cotton in pretty-block print; fresh eyelet

trim on pockets and bodice. Rose, blue or

green; sizes 12 to 44 and 14 1/2 to 24 1/2.

Ayres' Pinafore Shop, Fourth Floor



Reg. U. S. Pat. Off.

## NEW Late Evening BUS SERVICE!

HUNTINGTON	WABASH	PERU	KOKOMO	INDIANAPOLIS
9:15 PM	9:15 PM	9:15 PM	9:15 PM	9:15 PM
10:35 PM	10:35 PM	10:35 PM	10:35 PM	10:35 PM
11:10 PM	11:10 PM	11:10 PM	11:10 PM	11:10 PM
11:37 PM	11:37 PM	11:37 PM	11:37 PM	11:37 PM
12:06 AM	12:06 AM	12:06 AM	12:06 AM	12:06 AM
12:45 AM	12:45 AM	12:45 AM	12:45 AM	12:45 AM

AND 12 OTHER THRU BUSES DAILY TO FORT WAYNE LEAVING AT

15:30 A.M.	10:30 A.M.	13:15 P.M.
6:30 A.M.	11:15 A.M.	5:00 P.M.
7:30 A.M.	1:00 P.M.	5:15 P.M.
7:50 A.M.	1:50 P.M.	8:00 P.M.

SAVE MORE MONEY ON ROUND TRIP AND 10-RIDE TICKETS.

For Information, Phone RI-7655

INDIANAPOLIS BUS TERMINAL, Illinois and Market St.

INDIANA RAILROAD  
Bus Service