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DEVELOPMENT OF PRODUCTIVITY IN AUSTRIA
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A lecture given by Mr. Lienert
at the Vienna Messepalast on October 14th, 1952.

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Ladies and Gentlemen,

Introduction.

The 5th Austrian Congress for Scientific Management deals with the organizing factors of economy and with their influence upon management.

When looking at the titles of the lectures to be held at this Congress, it seems clear that some of the speakers are specifically singling out those factors, which determine law and order in economy, while others seem to interpret and to deal with economy itself as a power of law and order.

As far as my own subject goes "The development of Productivity in Austria", I can practically pass over such deeper reflections. The advancement of Productivity has itself to fulfill a paramount function of law and order in economy, and the short survey which I shall give you today fits automatically into this conception.

At first I wish to clear up the question, what should be understood under the term of "Productivity" ? So as not to loose ourselves into a bunch of scientific, economic and technical definitions, and inasmuch as my own lecture of today is concerned, I shall understand productivity to be a roof-conception for economy, scientific management and rationalization.

In this sense productivity was already used in Austria in isolated cases at the end of the 1920^{1eth}; just to give an example I wish to recall that the Vienna Labor-Chamber used it in 1930 in its official definition of the conception: "Rationalization".

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Only at the end of the IIInd World War the idea of productivity became more generally known, when Europe entered into a vivid exchange of experiences with the United States on economic problems and thus became acquainted with the theory and praxis of American economic methods.

The word "Productivity" is therefore comparatively young; the conception of productivity, however, can be traced far backward in time.

I know that there are men at this meeting, who are working in the interest of productivity in word, writing and actions, and to these men I can tell little new; but just at this moment, when the productivity idea is treading on new ground within the framework of the ÖPZ through the active cooperation of both Employers- and Labor-Organizations, when the Intra-European economic integration seems to materialize, and when new spiritual and material impulses are being obtained through the generous assistance granted by the United States to so many countries all over the world, just at this moment it might be highly interesting to briefly sketch before you how the promotion of organized productivity in Austria has developed.

We must limit ourselves to the promotion of organized productivity, because - I repeat - productivity as an idea is as old as mankind itself, which since time out of mind tries to discover and explore the secrets of nature, to make work simpler and more productive, and thus to facilitate daily life. What we now plan is only to put these systematic efforts, this age-old idea before the conscience of men and to place it at the disposal of the general progress of mankind by means of a planned and concentrated cooperation.

I.

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One of the earliest occasions for applying productivity occurred in 1846, at the time of the German Confederation (1815 - 1866), of which Austria formed part in those days: it concerned the question of standardizing regulations in connection with railways, such as gauges and apparatus for joints and breaks of railway carriages and trucks.

It would be wrong to look upon events of those days and of the following years from an unilateral national angle; in those times and today the development of the productivity idea in Austria can only be understood, if we also take into consideration the influences coming from abroad. This statement will be confirmed if we recall the rationalization-movement, which was rapidly expanding at the beginning of this century, and which was decisively influenced by the works and thoughts of the Americans Taylor and Gilbreth, which were so extensive, that they may well be considered to be the forerunner of the entire productivity movement of today.

Already in 1911 the expression "Scientific Management" had appeared for the first time, which after the end of the 1st World War was differently interpreted all over Europe: In France there was the "Organisation scientifique du travail", where the stress was lying upon the word organisation; in Germany in first line technical factors prevailed, in other words rationalization; and in Austria the form was again different, because the accent was placed on the idea of saving, economizing. For this reason the chief organ of the Austrian movement of rationalization called itself significantly "Die Sparwirtschaft", and later on the work of the "Österreichisches Kuratorium für Wirtschaftlichkeit" was - for more than 10 years - again directed towards the aim of saving raw materials, above all of saving imported raw materials.

While to-day's meeting is in progress, there is another Congress taking place at Salzburg, where Austrian Industrialists and Plant-Superintendents are assembled for the purpose of discussing with their American colleagues problems of Scientific Management. Who would take this opportunity to recall that already in 1924 an International Management Congress was held at Prag, in which not only an American Delegation of 60 men, but also one from Soviet Russia - consisting of 25 representatives - was participating. A great number of new tasks and problems was then discussed, and two international organizations were created for the purpose of dealing with them: in 1926 the CIOS ("Inter-

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nationales Rationalisierungskuratorium") at Brussels, Belgium and in 1927 the "International Institute for Rationalization" at Geneva, Switzerland. The first named organization is still alive and gives continuously new stimulus to the idea of rationalization, while the Geneva Institution was dissolved after 6 years of successful work.

II.

In the 2nd half of the 1920^{ies} the work of rationalization in Europe was already placed on a broad basis. The number of meetings was very great, technical literature expanded, new organizations cropped up, all of which were dealing with questions of Scientific Management or technical-economic problems, even the League of Nations joined in this movement and in 1927 - on occasion of a World Economic Conference - it carried a resolution on "Rationalization".

Within the framework of international efforts to foster rationalization, the Austrian movement too made great strides. The Federation of Austrian Industry took the lead in 1927 and occupied itself mainly with problems of Scientific Management, of caloric economy and of standardization. Not less than 80 Committees were formed within the technical department of the said Federation. The field covered was indeed very wide: in the sector Scientific Management alone such problems as office organization, accountancy, costs, flow of work, tools and equipment, time-studies, wages, recruiting and training of new workers etc were dealt with.

The Vienna Chamber of Commerce was mainly interested in efficiency-increase of small business and founded the "Gewerbe-förderungsinstitut" - organized after the pattern of the "Deutsches Forschungsinstitut für rationale Betriebsführung im Handwerk" (Karlsruhe) - , which is really a forerunner of the present "Wirtschaftsförderungsinstitut". Other organizations working on the same line were: the "Niederösterreichische Gewerbeverein" with its special "American Committee", which was in charge

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of studying the possibilities of applying American Economic Methods to Austria; furthermore the Agricultural Chamber of Lower Austria; the Labor Chamber of Vienna, which created a special "Department for Labor Economy" in 1925; the Central Office for the Prevention of Accidents, which carried out actions of propaganda for the prevention of accidents in thousands of plants all over Austria and which organized a permanent exhibition at the Technical Museum; the Federal and Provincial Agencies for Vocational Guidance in Vienna and the Provincial Capitals; the Institute for Psychotechnic and Propaganda; the Taylor Society in Vienna etc.

Also the Labor Unions were specially interested in the work of rationalization. Within the framework of the Central-European Organisation of Labor Unions, the Austrian Association of Industrial Employees formed in 1927 a "Committee for Work-Economy and Rationalization", which was also carrying out a lot of research work. Later on the Federation of Bank-Employees and the Association of Insurance-Employees took up the problem and dealt in first line with questions of office organization.

The promotion of Productivity of to-day is - as far as the practical side goes - taking use of one main instrument: that of an organized exchange of experiences.

Who would, however, remember to-day that already in 1928 there was in Austria a "Committee for the Exchange of Experience" actively engaged in the investigation of all problems of reference, starting from the works-preparation until the control of budget, and that in this Committee representatives of all lines of business were taking part ?

You will have to excuse me, Ladies and Gentlemen, if I have not mentioned in my brief survey all organizations, - not even the most important ones - , which have had a share in the work for rationalization in Austria; the list would indeed have been endless. One institution, however, I have still got to point out and that is the "Österreichisches Kuratorium für Wirtschaftlichkeit" (ÖKW), which was founded in 1928 and where really all rationalization-work of this country was concentra-

ted. In 1938 the ÖKW became a sub-agency of the Greater-German "Reichskuratorium für Wirtschaftlichkeit", but its work was then entirely dedicated to direct and indirect armament; 8 years later, in 1946, the ÖKW was re-established under its old name and again took up its original functions.

III.

The above would be a rough sketch of the outside development of the rationalization movement in Austria, which has preceded our own efforts. What and how much of the work previously done can now be utilized, will have to be examined and decided upon in each special case.

Nevertheless - and I hope that nobody will mind me saying so - the most important experience gained from the work done in the 1920^{ies} and 1930^{ies} is a negative one: We have learned what we should not do. We have learned that it is not sufficient to deal with technical, plant economic and arithmetical considerations alone, while leaving aside the human factor, or only mentioning it on the margin. True enough, we need in all sectors of economy more modern and better, in short more rational methods of work in order to make our economy more competitive; but we can only aim at reaching this goal, if the economic situation of the country and conditions on the labor-market will permit it. Because apart from purely humane considerations it is more "irrational" that young, healthy men, willing to work, should be turned out into the street and join the army of unemployed, than to use antiquated working-methods.

Although unemployment in the 1930^{ies} was partly caused by very different factors than rationalization, wide circles of the people, above all naturally the employees, considered that the introduction of the principles of rationalization in the plants was the very source of all trouble. This is a fact which weighs very heavily upon our present work.

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IV.

How are we thus to face the problem of reference ? Through which measures do we hope to come up to the economic "command of the hour"? In answering these questions I shall first have to continue the chronological thread of my previous remarks and call your attention to a new term which has been implanted from America to Europe in the first years after the end of the IInd World War, a term which immediately proved to be extremely effective and which has expanded with the greatest intensity: Productivity. The conception was new, while the word "Productivity" had already widely been used in plant economic discussions; and the conception of productivity was in first line new, because it entailed a great variety of new and vital ideas and because - it may be said without exaggeration ^{that} -/it was really an entirely new philosophy, which was at the background of it.

The formula: "Higher productivity - lower costs - lower prices - greater demand - increased production - more jobs for workers" has indeed very little to do with the meaning of "rationalization", where the tenor was lying on "saving" and "economizing"; in fact the actual conception of "productivity" embodies a good deal of to-days economic philosophy of the United States, which in turn has brought about the upward-movement of American Economy.

But not even all this would have sufficed to produce the great triumph which productivity has gained in so short a time in half of the world. This triumph is really due to sober facts, free of fancy ideas, ^{facts} which are rooted on principles of social advancement and psychology: Better human relations - the sharing of extra profits reached through increased mutual efforts - tangible advantages for employer, labor and consumers - and above all the goal aimed at by everybody: a higher standard of living.

To carry out this program and to disseminate its ideas, considerable sums of money were now at hand, moreover there was a technical aid-program of 14 points available, - though at first only in writing -, the so called "Technical Assistance", which was functioning within the framework of the Marshall-Plan.

Technical Assistance comprises two big tasks, each one covering a field of activities essentially distinct in nature:

1. Study trips of Austrian experts of all economic and scientific lines and branches to USA and to other European countries, as well as trips of foreign experts to Europe.
2. An economic-technical Information Service, which is to be placed at the disposal of the entire Austrian economy, using the most modern methods of dissemination and propagation.

In 1950 the productivity in Austrian economy only reached 92% of the 1937 level, the latter of which was in itself insufficient; the comparative figures of other countries, with which Austria has to compete on the World Market, were much higher. All responsible Austrian economists and politicians realize the detrimental consequences of such low productivity upon our economic capacity to compete on the World Market, and on the standard of living of our population, more especially taking into consideration the gradually declining financial assistance which we receive from abroad.

In view of the manifold new tasks to be carried out, the Austrian Federal Government decided to set up a special productivity organization, which in cooperation with the existing economic institutions was to be entrusted with the promotion and coordination of all measures to be taken for the increase of efficiency in Austrian economy, for keeping employment at the highest possible level and for ensuring to the entire nation a fair and socially acceptable standard of living. Financial considerations in connection with the realization of the T.A.-program made it advisable that the new organization should be placed into close technical and personal connection with the Federal Chancellory - Central Bureau for ERP-Affairs.

V.

And so the Austrian Productivity Center was founded on April 4th, 1950, taking the legal form of a "Non profit making Verein", which enjoyed right from the beginning every conceivable assistance from the part of the American Economic Mission in

Austria. Dr. W. Taucher, the Chief of the ERP-Bureau, was elected President of the new organization, the Presidency further consisted of two Vice-Presidents selected from Employers and Labor respectively, and of a third politically independent Vice-President, who was at the same time appointed Managing Director. The men appertaining to Presidency, Board of Directors and Top Directorate of the ÖPW were, however, belonging to the above mentioned organs as individuals only and not as representatives of their organizations, because the leading Austrian economic organizations decided to officially not become members of the "Verein"; they first wished to remain in condition to observe from afar, how the newly founded ÖPZ would make its initial walking attempts on the delicate economic and political ground of this country. Therefore they kept contact with the ÖPZ through the aforementioned individuals only.

This organizational set up was originally chosen so as to give the new "Verein" a chance of being more flexible and up to a certain extent this aim has been reached. But when the working program of the ÖPZ was intensified and expanded, new tasks were entrusted to it, for the accomplishment of which the wholehearted cooperation of the leading economic organizations and their full practical and moral support was absolutely essential.

It was therefore an important event for the entire development of productivity in Austria, when in Spring 1952 the leading organizations of Employers and Labor declared after long and difficult negotiations that they were now ready to officially become members of the Austrian Productivity Center.

The new General Assembly, consisting of Delegates from the Chamber of Commerce, the Labor-Chamber, the Labor Unions, the Federation of Industrialists and the Conference of Presidents of Agricultural Chambers again elected Dr. Wilhelm Taucher President of the "Verein" and laid down the working program of the ÖPZ for the next months.

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VI.

And now I should like to go into details of this program, which in its essentials, is based on the work carried out since 1950, and which should constitute the foundation of an extensive productivity campaign covering the entire Austrian Economy.

The activities of the ÖPZ comprise three main fields:

1. The work to be carried out in Industry, Small Business, Agriculture and Forestry,
2. the exploration of all possibilities offered by T.A.,
3. the Information and Dissemination Service in connection with all productivity problems and the special task of expanding as far as possible the idea of productivity.

One of the pillars of the work described above comprises thus our activities in the industrial- and small business sectors. Soon after the foundation of the ÖPZ investigations and advisory activities had started in plants belonging to various lines - from mining right up to highly skilled cabinet making - , and in many cases good results have been reached. On account of the great number of industrial lines and the necessity of evenly furthering and promoting productivity as an economic principle of first order amongst so many individual enterprises of every line, the ÖPZ adopted soon another method which incidentally follows the lead of the United States, but also of Great Britain and other European Countries, which had successfully used this new method: the establishment of index figures. These will permit to ascertain the degree of efficiency of a plant and at the same time put us in condition to calculate average evaluations for the entire industry.

The method worked out by the consulting engineers and experts belonging to the staff of the ÖPZ was first put to test in the Voarlberg Textile Industry. It has not only been successful, but it proved to be a real stimulant on account of efficiency comparisons amongst the various plants and departments, which were then made the subject of most interesting

discussions (in the course of last year's Congress for Scientific Management this method and the results obtained were thoroughly dealt with).

A similar system was used in the work of the ÖPZ carried out in the foundries, and a remarkable productivity increase has been obtained by means of improving the flow of work, materials handling, the sand-preparation etc.

While with the establishment of index-figures the ÖPZ has certainly initiated an entirely new system, which was hitherto unknown in Austria, it is now about to enter into pioneer work in the field of plant economy: the program built up by representatives of Employers and Labor provides that certain plants - important from the point of view of the entire Austrian Economy -, and which are willing to develop the highest spirit of cooperation, will be re-modelled as pilot-enterprises or model-plants, and for this purpose they will obtain all sorts of technical and economic assistance. A prerequisite for such procedure will, however, be that the said plants will sign an agreement according to which all extra profits derived from productivity increase, will not only be shared between the plant and the workers, but also benefit consumers through a reduction of prices. The term "Pilot-enterprise" should not be misunderstood; the intention is that new techniques and methods should there be demonstrated, which will lead to and stimulate productivity increase.

But the project of organizing "Pilot-enterprises" or "Model plants" comprises also an important social aspect. By means of improved working conditions, above all through a better equilibrium of effort and result in work, every individual employed at such a plant should be made to realize that only productivity increase will enable him to gain full satisfaction of his efforts.

But before this new method can be carried out in practice, some formalities will have to be cleared up. We, however, hope that practical work will be able to begin soon, more especially as already on the strength of the first announcement, several

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establishments belonging to various sectors of industry have expressed their willingness to co-operate and to place themselves at our disposal as "Pilot-enterprises".

While the promotion of the idea of productivity in the Austrian industry is already in move and follows a working program, which to a great deal has already been outlined, this cannot be said of small business, where a lot of thinking and planning will still have to be done before we shall be able to develop a program which will promise to be a similar success.

The reasons are obvious: there are more than 170.000 small business enterprises in Austria, amongst them a great deal of "One-man" businesses, and the number of people employed in small-business reaches 660.000, which is almost one third of all people employed in this country. But no matter how important small business may be from the point of view of giving employment or of supplying the country with goods and services of all kinds, it would seem hopeless to try and supply such a multitude of smallest establishments with individual advice, branch-investigations or similar services, not to speak of difficulties in the field of organization and psychology (little centralization and a deep rooted conservative spirit amongst small-business-men).

In the sector of small business the ÖPZ has therefore - with the exception of certain special investigations - limited itself to deal with such important problems as: materials handling, packing, selection and maintenance of tools etc., all of which can be applied for all branches of small business, if dealt with from a broad organizational angle and given all the publicity which would be required in order to lead to a success.

It stands to reason that the ÖPZ cannot undertake such tremendously expanded tasks by its own means and efforts, and that the cooperation of other relevant bodies is required which incidentally corresponds to the very program of its work and functions. In this particular case the "Wirtschaftsförderungs-institute" of the Chamber of Commerce are intensively engaged in an efficiency increase of small business: together with these

institutions the ÖPZ will give new impulses to the productivity idea in small business by means of expositions, congresses, lectures, printed bulletins and - if feasible - the establishment of bureaux for the purpose of giving advice and assistance.

In Agriculture and Forestry the idea of efficiency increase has hitherto been promoted by many schools and rural institutions, most of which are being maintained or controlled by the Provincial Agricultural Chambers. These efforts were, however, seldom based on a conception which comprised the entire agriculture of this country, limiting themselves mostly to the propagation of a certain task, which might be very important at that given moment, and as a rule restricted to a certain region only.

Now the ÖPZ considers it one of its main tasks to develop an extensive agricultural and forestry program in close cooperation with the competent professional bodies and thus to make it part and parcel of the entire productivity campaign. When we started this work we certainly did not know that our small agricultural and forestry department would succeed to demonstrate in such convincing matter what the ÖPZ can do in initiative and coordinative work, provided the necessary possibilities of expansion and application are given.

The excellent results of our work in this field have been widely commented upon by the press; I shall only mention a few essential points of the program, which has been realized: in order to "rationalize" the thinning of timber of small width the ÖPZ has formed and financed demonstration groups for the purpose of introducing "one-man work" amongst forestry workers. The result of our endeavours, an average efficiency-increase of 25 - 50%, permits us to hope that in a reasonable span of time the Austrian Pulp-Industry will be supplied in increasing measure with such small timber and this again means that our mills will obtain more logs, which were hitherto mostly used by the Pulp-Industry.

After an initial reserve, which can only too easily be understood, the forestry workers have fully cooperated in this action. Practical experience has proved to them that the new method does not mean more work, but it does mean more pay. There is no danger of unemployment either, because even now there are too few qualified forestry workers available. The shifting from group-work to "one-man work" in forestry, which brings about a more rational and increased production and at the same time more pay, is a school example of a successful productivity promotion in one of the most important economic branches of a nation.

But apart from its commercial value the forest has also to fulfil biological functions, which are of paramount importance to mankind. A number of projects and measures for the preservation and tendering of forestry soil and for the afforestation has been developed by the forestry department of the ÖPZ, which the competent bodies have introduced and which are now being carried out in practice. I can only mention a few of these projects: soil tendering through proper liming, the cultivation of certain quick growing wood varieties, modern methods of hauling the timber through cableways, the training of forestry workers and cable railway personnel, etc.

On similar lines we are working in agriculture. We have recently started to try out in a large scale a new drying system for hay in districts with heavy rainfall. Consultative services dealing with problems of soil tendering and the maintenance of agricultural machinery and equipment are now organized all over the country, and they are gradually expanding towards other problems such as urea feeding, artificial fertilizing etc. The agricultural and forestry department of the ÖPZ are planning, supervising and promoting these tasks and we are indeed also supporting them financially in a decisive manner. Out of the manifold detailed work in the field of industry, small business, agriculture and forestry, the ÖPZ hopes to harvest a higher productivity covering the entire Austrian economy. But the seeds will only come up and give satisfactory results if decisive progress can also be made in two other components of national economy: Commerce and Home Economy.

In fact it is home economy which occupies our mind in a great measure at the present moment, because we have to realize that about 50% of the entire national income of any nation goes through the hands and indeed is being spent by the housewives. In addition to it how much personal effort, what great number of technical equipment and what volume of energy like gas, electric power etc. is daily put into action or used by the housewife ?

To try and absorb the entire field of home economy into our productivity work is, however, a long and difficult task. It will indeed take a considerable span of time, before any visible success can be achieved. But nothing would be more erroneous than to go past the entire problem without trying to find a solution. True, there are many excellent schools, women's organizations, consultative bureaux and departments at the various Chambers, all of which are certainly doing their best; but it seems necessary that their efforts should be coordinated as soon as possible.

A few months ago the ÖPZ has established a small home economy department, which could hitherto only take up contacts and try to sift the enormous amount of problems for the purpose of establishing a first working program. No definite results can yet be reported, some good work has, however, been done in connection with the development and production of suitable and cheap furniture for the home. This action is carried out in cooperation with the Chamber of Commerce and the Chamber of Labor.

VII.

I shall now deal with the second great field of activities of the ÖPZ, the T.A. or - as we often call it - "The Exchange of Technical Experiences". Our organization was entrusted with the realization of an idea, which was born within the framework of the American foreign aid legislation and which comprised the entire Western world. The United States started from the reflexion that every Dollar spent in free Europe can only bear fruit if the receiving countries will at the same time be supplied with modern technical knowledge and up to date methods of pro-

duction; these the United States were able to develop and to collect on account of their superior economic structure and political consolidation.

Speaking first of study missions I should like to mention that our Technical Assistance Department in close cooperation with the American ECA - now MEC - Mission and the relevant economic organisations have hitherto arranged 167 trips to USA and to other European countries, in which more than 1000 experts of all branches of Austrian economy and science have taken part; many of them have been able to acquire a great amount of knowledge and to form many important and interesting plans, which will eventually be utilized to the benefit of the entire Austrian economy.

If I have just said "to the benefit of the entire Austrian economy" I mean to express that the ÖPZ is fully entitled to such a statement: it is one of the fundamental principles of our TA department that a participant in a study mission will not be considered to be a private person or the representative of his firm, but he is looked upon as the representative of his entire line of business or technical branch. In accordance with this principle the ÖPZ takes good care that upon the return of every delegate the experiences gained abroad should be disseminated to the greatest extent possible. This is being done through the publication of reports, which every participant is bound to supply, and through articles in the press and in business magazines, as well as by means of lectures, discussions etc.

Apart from this dissemination of theoretical knowledge the ÖPZ pursues also the utilization of study missions in the field of practical application. The investigations and the "follow-up" work carried out in a special section of our TA Department prove that the seeds have taken roots and that the experience gained in several study missions - thus covering various economic lines - begin to show results; we intend to deal fully with this matter in a special publication, which is in preparation.

The exchange of technical experience comprises also visits of foreign experts to Austria and our TA Department has arranged for 30 experts from abroad to come to Austria and to place their

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knowledge and experience at the disposal of various branches of Austrian economy.

Similarly the "Technical Information Service" (W.T.I.) of the ÖPZ, which was established 18 months ago, has had an important share in the framework of the exchange service of technical experiences. Any party interested in the newest technical developments may apply for literature, bibliographies, productivity and factory performance data and technical articles, published in American and/or other foreign magazines; our "WTI-Section" will then endeavour to supply him with the desired material. Furthermore we edit the monthly "Technische Informationen" (Technical Informations), which contain digests of current technical literature and which are sent to about 10.000 readers belonging to all branches of industry and small business. In addition "WTI" supplies European productivity index-figures, published by the various Productivity Centres, photostats, licences of foreign firms, samples of American products for comparison and analysis. Special technical and production problems are dealt with in our widely used "Question and Answer-Service". All our material goes to employers and labor alike.

Very popular is the film service of "WTI": our film library contains roughly 120 16 m/m sound films with more than a thousand copies, which - together with a projector - are being supplied on loan against a small nominal fee. At present more than a 100 projectors are permanently on loan all over the country. There are also two modern mobile film units in action, which are touring the whole of Austria and which have already arranged more than 250 film performances in plants, technical schools and economic organisations.

The ÖPZ intends to continue utilizing these study missions and the T.A.Special Service for the exchange of experience in the greatest possible scale, because we consider that the entire TA-Program is an instrument which is well in condition to give strong impulses to the progress of our productivity campaign in Austria.

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VIII.

We now come to our third big task, which consists in winning over to the idea of productivity big masses of our people. In this connection I should like to present to you briefly the considerations which are guiding our work in this field of action:

We believe that nothing could endanger our work more than plain propaganda. This not only because Austrians - on the strength of former experiences - react somehow negatively to all types of noisy propaganda, but also on account of a special reason: every failure, even the smallest, would harm the realization of the productivity idea, if it would have occurred in such outspoken contrast to a colourful, though superficial propaganda. Not only the old resentment against any type of propaganda would then reawake in full measure, but it would deprive us of the chance of gaining confidence, without which we can never achieve the desired success.

We therefore use another means of publicity, which many consider to be too slow and too soft, which we, however, believe to be the only useful method: the information, which is based on facts. True, it might be strange that in view of the urgent economic tasks to be accomplished our publicity should proceed rather slowly and cautiously. Yet, taking into consideration our past experience, we believe that we are on the right track and that the possible defects of our present method are smaller than the danger of a precipitated propaganda.

Guided by such considerations the ÖPZ has built up a program of publications, which aims at disseminating the basic principles of productivity in form of technically well founded, yet popular descriptions, which desires to bring home to a broad public the work and results of the Austrian Productivity Centre and of other relevant Organisations, and which wishes to report on all kinds of experiences, successes and examples connected with practical productivity work at home and abroad.

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For the above mentioned purpose we publish:

the monthly: "Der Schlüssel", which is distributed by the Employers- and Labor-Organizations,

the series: "Der Ausweg", which deals with the "What, Why and How" of the problems involved in productivity increase,

the series: "Die Studienreise", which is in the service of our "Exchange of Technical Experiences" and serves to disseminate the knowledge, impressions and recommendations of participants of study missions, who have returned home,

the series: "Der Vorteil", containing primers and practical advice on efficient working methods for skilled manual workers,

furthermore special bulletins, broadcasts, film performances etc.

Of course the ÖPZ is also carrying out an intensive program of lectures, training courses and classes, seminars etc; these are attended by employers and workers, who at their plants are directly or indirectly engaged in activities promoting productivity. Hitherto roughly 175 such lectures have been given at Technical Centres and Schools, at various branches of the "Wirtschaftsförderungsinstitut", at Peoples Universities and at Training Centres of Labor Unions, but above all also at important plants.

All these works may well claim to have a share in the great productivity movement, which is to-day in the centre of economic discussions in Austria, where it is not only used in word and writings of the men responsible for the economic trend of our country, but also in many other fields, even in football, where sport reporters continuously speak of "productive center-halbs" etc.: Productivity has thus become a most popular byword.

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IX.

If I have been able to give you a brief sketch of the Productivity movement in Austria, but speaking in the second part exclusively of the ÖPZ, this is due to the fact that this organization was called upon to fulfil at all the tasks mentioned before the function of an initiator and a motor. Under no circumstances should I like to be understood as if desiring to emphasize that the ÖPZ would wish to snatch away from everybody else all work ^{with productivity} connected/and carry it out by itself. The ÖPZ has no monopoly for productivity increase. It knows that any success can only be reached on a broad basis and in close cooperation with other competent economic institutions and bodies. The ÖPZ will thus have to use its forces in an expedient manner and only expend into detailed activities, where this cannot be done by other organizations.

One more basic statement I shall, however, have to make in this connection: the representatives of Employers- and Labor-Organizations, which are now officially cooperating within our Organization in the solution of delicate economic tasks, will bear the responsibility towards all those circles, which they represent, for everything done in the name of the ÖPZ and with the ÖPZ. It is therefore understandable that they will not be inclined to support works and projects, which are not in line with the above mentioned working program, which, as I have mentioned before, has been approved by both sides. There can also be no question of granting subsidies, in other words actions cannot be supported, the consequences and results of which cannot be foreseen with a high degree of probability and controlled at all stages by the ÖPZ.

On the other hand we may lend our assistance to actions, if they seem to be suitable to further our general working program and if the circle of persons, for which this project is destined, proves its interest by expressing its willingness to support it with full moral and an adequate financial contribution

May I finally say one word with regard to the position which the ÖPZ has been able to acquire within the framework of the international productivity movement. Almost in all States, which are sharing the European Reconstruction Program, special Productivity Centres have been founded, which are partly organized on similar lines than ourselves, partly they are restricted to carry out the TA-Program. All European Productivity Centres are linked together at the OEEC in Paris, where there is also a "Special Committee for Productivity and Productivity Research". Now it is specially pleasing that within the framework of these international Productivity Centres the ÖPZ has a very good name, and we can continuously welcome in Vienna representatives of these foreign Productivity Centres, in order to acquaint them with our organization.

I shall close expressing the hope that I have succeeded in proving to you, Ladies and Gentlemen, that Productivity and the need for productivity-increase are very old conceptions all over the world, and that it will now not be long, before it will also be a popular byword with the entire people of Austria.