

INDUSTRIAL REMUNERATION CONFERENCE

THE REPORT

OF THE

PROCEEDINGS AND PAPERS

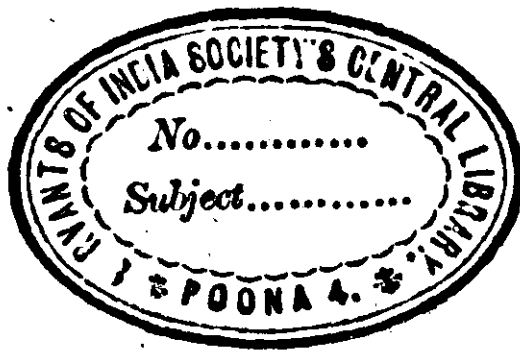
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PRINCE'S HALL, PICCADILLY

UNDER THE PRESIDENCY OF THE

RIGHT HON. SIR CHARLES W. DILKE, BART., M.P.

ON THE 28TH, 29TH, AND 30TH JANUARY 1885



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*** Each Author and Speaker has had the opportunity of correcting his remarks before publication, and is solely responsible for the statements of fact and expressions, of opinion contained in his contributions to the volume*

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PREFACE.

IN the spring of 1884 a gentleman of Edinburgh determined to devote a considerable sum of money to the purpose of 'keeping before the public mind this vital question, viz.—What are the best means, consistent with justice and equity, for bringing about a more equal division of the daily products of industry between Capital and Labour, so that it may become possible for all to enjoy a fair share of material comfort and intellectual culture, possible for all to lead a dignified life, and less difficult for all to lead a good life?'

In response to his request, Sir Thomas Brassey, Mr. John Burnett, Mr. Thomas Burt, the Earl of Dalhousie, Professor Foxwell, Mr. Robert Giffen, and Mr. Frederic Harrison consented to act as the Trustees of a sum of 1,000*l.*, which should be devoted to prosecuting an inquiry into the question, *Is the present system or manner whereby the products of industry are distributed between the various persons and classes of the community satisfactory? Or, if not, are there any means by which that system could be improved?* They determined to invite the Statistical Society to assist in the undertaking, and a Joint Committee was formed, consisting of the Trustees and the following nominees of the Statistical Society: Sir Rawson W. Rawson, Professor Leone Levi, Mr. F. G. P. Neison, Major Ritchie,¹ Mr. Stephen Bourne, Mr. David

¹ Major Ritchie, M.P., was, owing to other engagements, unable to serve on the committee.

Dale, and the Rev. W. Cunningham. The Joint Committee subsequently co-opted five additional members: Mr. A. H. D. Acland, Mr. W. Crawford, Mr. W. H. Hey, Mr. B. Jones, and Mr. R. D. Roberts.

The Committee determined that they could best carry out the purpose of the trust by organising a Conference, at which the interests of Capital and Labour respectively should be adequately represented by practical men. They determined to invite papers bearing on the question, and to give opportunity for the thorough discussion of the statements made in those papers. They announced their willingness to receive offers of papers and information as to trade societies or other bodies that would wish to be represented by delegates at the Conference, and suggested the following points as specially worthy of consideration:—

1. The existing system by which the products of industry are distributed.

2. Do any artificial and remediable causes influence prejudicially

- (a) The stability of industrial employment;
- (b) The steadiness of rates of wages;
- (c) The well-being of the working classes?

3. How far, in what manner, and by what means would the more general distribution of capital, or the State direction of capital, contribute, or not contribute, to

- (a) An increase in the products of industry;
- (b) The well-being of the classes dependent upon the use of capital? (Co-operative production, profit-sharing, &c.)

4. How far, in what manner, and by what means, would (1) a more general ownership of land (peasant proprietorship), of an interest in land (tenant right), or (2) the State ownership of land, conduce, or not conduce, to

- (a) The increased production of wealth;
- (b) The welfare of the classes affected by the change?

5. Does existing legislation, or the incidence of existing legislation, affect prejudicially

- (a) The production of industrial wealth ;
- (b) The well-being of the classes engaged in the production ;
- (c) The natural or the most beneficial distribution of the accumulating products of national industry (including Succession Duties, Friendly Societies, Insurance, &c.) ?

Can any of these be promoted by changes in existing legislation or taxation ?

This announcement was made in the London and provincial papers on September 8, 1884. On the same day an article appeared in the *Pall Mall Gazette* from the pen of Mr. F. Harrison, which gives a clear statement of the purposes of the founder of the trust, and the hopes entertained by those engaged in carrying it out.

A NEW INDUSTRIAL INQUIRY.

BY MR. FREDERIC HARRISON.

As I have known something of the projected Conference on Industrial Questions from the first, I may be permitted to say a few words as to its scope and nature. A gentleman of Edinburgh, who prefers to remain anonymous, some time ago consulted several persons known to take an interest in industrial problems, as to how he could best devote a certain portion of his fortune, so as 'to make some provision for keeping before the public mind this vital question, namely—*What are the best means, consistent with equity and justice, for bringing about a more equal division of the accumulated wealth of this country, and a more equal division of the daily products of industry between Capital and Labour, so that it may become possible for all to enjoy a fair share of material comfort and intellectual culture, possible for all to lead a dignified life, and less difficult for all to lead a good life ?*' He received in reply various suggestions, and, after long deliberation, decided to name trustees to whom he should make over an ample fund, authorising them to arrange, in any ways they

thought best, for the holding of a public Conference on some definite industrial question, limiting the discussion to a moderately small number of representative men, nominated by well-known bodies having an industrial interest from many different sides. The original Trustees are Sir Thomas Brassey, Mr. J. Burnett (of the Engineers' Society), Mr. T. Burt, M.P., Lord Dalhousie, Mr. Robert Giffen (President of the Statistical Society), Professor H. S. Foxwell (of Cambridge), and Mr. Frederic Harrison. The seven Trustees held a series of meetings, wherein they considered the best means of giving effect with complete impartiality to the purposes of the trust. This was simply to keep before the public mind the enormous disparity of comfort resulting from our modern industrial life; which is, as the original letter puts it, at once a great evil in itself and a great danger to the commonwealth.

There are never wanting, of course, inquiries and discussions as to alleged defects in our industrial system; but they are not always fruitful in result, and they usually start from preconceived doctrines and represent one side or one interest. The Trustees have sought to originate an inquiry which should not start from any doctrine, and which should be open to all interests. They have sought to reduce to a minimum that inevitable part of every inquiry into these wide questions which is desultory, unscientific, anarchical, or doctrinaire. They would wish to have the debate limited to those who have something to tell us that will stand sifting; and at the same time they do not exclude from a fair hearing any serious opinion or school. It seemed to them that these conditions would be best attained if they proposed to one of the established associations to undertake the inquiry with a special Committee and fund. Ultimately the Statistical Society undertook the task, and named a Sub-Committee for the purpose. As the published list will show, the Committee now includes the names of men known as trained officials and administrators, statisticians, and economists; leaders of the workmen's movements and societies; men representing great estates, and men representing popular constituencies; as well as several of the economists of the younger school, both at Oxford and Cambridge, who have applied themselves ardently to the study of social problems. The idea in forming the Committee was to insure the presence of men trained to business and scientific statistics, who should be ready to look at those questions from the point of view of labour as well as capital, and who would not come to the inquiry with any hide-bound doctrines whatever.

After much deliberation, the scheme of inquiry adopted by the Committee is this. They would begin by holding a Conference, consisting of 150 members, not casually selected from a body of subscribers, much less open indiscriminately to all comers, but consisting entirely of delegates selected by a great many public associations representing labour as well as capital, or occupied in the investigation of industrial questions. Thus trades unions and chambers of commerce, co-operative and economic societies, together with all similar associations dealing with industry, either in the interests of the workmen or employer, or in the interests of society generally, would be invited to name representatives to the Conference. And, alongside of this and the public discussion of such questions, the Committee would invite papers for publication, and endeavour to collect trustworthy returns on selected points. After the Conference is concluded, the scheme contemplates the publication of the discussions, together with such papers, returns, and other information as may appear worthy of a permanent form. In this way, it is hoped, something may be done to form materials for a practical hand-book on industrial problems, the result of the work of many minds, dealing with the subject under very different conditions. The type to which such a volume or volumes would belong is the very remarkable and authoritative Report on Trade Societies, issued by the Social Science Association in 1860. That volume was the real source of almost all the knowledge before the public down to the Reports of the Royal Commission, in 1867-8-9, which, indeed, in no way superseded its usefulness. It is remarkable how many of the men who worked on that Committee of 1860, and prepared the volume that resulted from its discussions, have since been eminent in the service of the State, or in the cause of science. When men like the late Mr. Fawcett, Mr. Forster, Mr. Shaw Lefevre, and the late Charles Buxton, Frederick Maurice, and Professor Jevons combined their experience in one joint investigation, the result was at once impartial and trustworthy.

Whether the inquiry about to be undertaken will bear fruit in similar usefulness will depend on the answers given to the invitations by the public bodies and eminent authorities to whom they are addressed. The subject is, of course, in one sense, a more difficult one to grasp, because it is not confined to the association of a particular class, but relates to the field of labour in general. For the details of the scheme now submitted to the public the original Trustees are not, as a body, responsible, and by devolving their trust for execution on

the Statistical Society and its sub-committee, they have ceased directly to control the organisation. But it is their earnest hope that some little thing may be done to keep before the eyes of the public the need of unremitting efforts to mitigate the acknowledged dangers which beset our industrial life. Men like Mr. Burt and Sir Thomas Brassey, Mr. Burnett and Mr. Giffen, view that industrial life from very different points of view, and they often differ widely as to what the dangers are, and how they could be lessened. But they have felt, like all their colleagues in the trust, and of the Special Committee of organisation, that they ought not to decline the task thrown on them by a man of generous public spirit, who is as completely free from any personal object in founding this trust as they are themselves in accepting it. And I believe they all agree with him when he says, 'Wealth, luxury, and extravagance among the few, accompanied by poverty, misery, and want among the many, is at once a great evil in itself and a great danger to the commonwealth.'—*Pall Mall Gazette*, September 8, 1884.

When the Committee came to consider the practical arrangements of a three days' Conference in greater detail, it became obvious that the questions must be put somewhat differently if they were to evoke good discussion, and the business of each day was planned as follows:—

FIRST DAY.

Has the increase of the products of industry within the last hundred years tended most to the benefit of capitalists and employers, or to that of the working classes, whether artisans, labourers, or others? and in what relative proportions in any given period?

SECOND DAY.

Do any remediable causes influence prejudicially

- (a) The continuity of industrial employment;
- (b) The rates of wages;
- (c) The well-being of the working-classes?

THIRD DAY.

Would the more general distribution of capital or land, or the State management of capital or land, promote or impair the production of wealth and the welfare of the community?

In addition to the papers offered, some of which the Committee were unable to accept, papers were invited from representative men, who were known to be well qualified to put forward the views of some important classes of the community, or who were authoritatively recommended as competent to express the views of some association.¹

The Committee then proceeded to invite additional delegates to the Conference from bodies connected with different interests. They desired that the Conference should be composed so far as possible as follows:—

	Number of Delegates.
1. Delegates of Chambers of Commerce (10) and Associations of Capitalists engaged in Industry (10) or Agriculture (10)	30
2. Delegates of Trades Unions	50
3. Delegates of Friendly Societies	10
4. Delegates of Distributive (5) and Productive (10) Co-operative Societies	15
5. Delegates of Economic, Literary, and Social Societies	20
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The Conference met on the 28th, 29th, and 30th of January, 1885, in the Prince's Hall, Piccadilly, under the presidency of Sir Charles W. Dilke. There was a fair attendance of the general public, especially on the afternoon of the third day. The present volume contains the papers prepared for the Conference, along with a verbatim report of the discussions.

¹ This was the case with Mr. Hyndman and Mr. W. Morris, who were invited by the Committee, on the recommendation of the Social Democratic Federation, to write or furnish papers from the Socialist standpoint, but who did not do so and did not attend the Conference. Subsequently three delegates from the Federation were admitted and took part in the discussions.

The papers and reports have been in all cases submitted to the authors and speakers for revision, but the Committee has determined that the volume should be a faithful report of the proceedings of the Conference, and have only provided for the omitting of one or two personal and political allusions which had no real connection with the purpose of the trust. Each reader or speaker is solely responsible for the accuracy of the statements made as to matters of fact. In some cases, the assertions made appeared to members of the Committee to be demonstrably wrong, but they have determined not to carry the argument on such matters farther than was done in the Conference itself. Mr. D. Cunningham, Mr. Hutchinson, and others of the authors have made brief additions to their papers, and the Committee have also inserted two contributions as appendices. One of these is a paper representing the views of the *Shop Hours League*. Two members of this body attended the Conference at very great personal inconvenience, but owing to the fortune of the ballot they were unable to bring the views of the very large class they represent before the Conference. A short letter has also been reprinted which was addressed to the *Times* by Professor Nicholson, whose duties in Edinburgh rendered it impossible for him to be present and reply to the criticisms on his paper.

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†M. Adolphe Smith, 13 Sutherland Place, Pimlico, S.W.

Workman's Association for Defence of British Industry:

Mr. H. J. Pettifer, 171 Commercial Road, S.E.

Delegates whose names were marked † attended alternately with other representatives of the same society.

RULES.

THE following Rules were adopted for the discussions in the Conference :

I. That the several subjects selected for discussion be introduced by two (or more) papers, each of which may occupy about twenty minutes, together with ten minutes for the reply, so that ample time may be reserved in each session for free and open debate.

II. As it is not intended to pass any resolutions at the Conference, no question arising out of any paper read or subject treated shall be put to a vote.

III. That all questions concerning the order of proceedings or the relevancy of any argument shall be in the discretion of the Chairman, whose decision shall be final.

IV. That every member of the Congress desirous of speaking on the subject of discussion shall give his name in writing to the Secretary in attendance, and await the call of the Chairman.

V. That every speaker shall address the Chair only, confine himself strictly to the subject under discussion, cease when time is called, and not be permitted to speak twice on the same subject.

VI. That the time allowed to each speaker shall not exceed ten minutes, and that at the discretion of the Chairman the speeches during the last hour, or any part of the last hour, of each session may be still farther limited.

VII. That the Chairman shall call on speakers in the order in which their names are sent in; but if more than six names are sent in during the reading of the papers, he shall ballot for the order in which speakers shall be heard, and may in doing so exclude the names of those speakers who have already addressed the Conference on *other* topics, so that they shall only be called on after fresh speakers have been heard.

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INDUSTRIAL REMUNERATION CONFERENCE.

WEDNESDAY, JANUARY 28, 1885.

OPENING SPEECH.

BY SIR CHARLES W. DILKE, BART., M.P.

President of the Conference.

THIS is a Conference presided over by a committee of which a third are representatives of the Statistical Society, and it is as a member since 1867 of the Statistical Society, and as an old member of the Political Economy Club, that I have been asked to occupy the chair. The Conference is one of delegates of chambers of commerce, delegates of associations of capitalists, among whom we have Mr. Lowthian Bell, delegates of trades unions, among whom we have Mr. Burnett and other well-known men, delegates of Friendly Societies, and delegates of economic societies, such as Lord Bramwell, who comes on behalf of the Liberty and Property Defence League. The committee only offer a fair field for discussion, which they believe will prove useful. They have no collective opinion, and are not responsible for the opinions put forward by the various writers and speakers. So far as I have seen the papers, most of them are strongly in favour of large changes in the laws, but not in favour of what may be called communistic change. Those who will take part in the Conference belong to both great parties in the State, and represent very varying forms of opinion of all kinds. For my part, I am sorry that

foreign opinion will not be largely represented here, and I am especially sorry that we have no representatives of that school of thought in Germany of which Fichte was the father, and the doctrines of which have descended through Lassalle to no less a person than the Iron Chancellor. Ideas, revolutionary no doubt, but not worked out with revolutionary haste; for even Lassalle declared that two centuries would be needed to replace the wages system by one which, in his opinion, would be better. In 1878 Prince Bismarck used some words which we might take here as our text:—‘ We try for Government experiments on different systems of cultivation of the soil. Would it not be as well to try similar experiments as to the labour of man, and to try to solve, by the improvement of the toilers’ lot, that social question which lies at the root of what is called Social Democracy?’ In 1882, in pressing on the attention of his Chambers his plan of workmen’s insurance, which was his own favourite child, Prince Bismarck said:—‘ Our endeavour is to reach a state of things in which no man can say, “ I bear the burden of society, but no one cares for me.” The Kings of Prussia have been, are, and shall be, the kings of the poor, the kings of the beggars in rags.’ As we have not the advantage of the presence of any representatives of these German ideas, let me call the attention of the Conference to the fact that an account is given of a portion of Prince Bismarck’s social policy in two able Parliamentary Papers which were circulated in 1883 and in 1884 respectively. The point which strikes one most forcibly in studying the science of political economy in relation to the whole development of human thought and life is its close and necessary connexion with morality, or ‘ morals.’ If we take that branch of considerations which deal with the distribution of wealth, of which the question of industrial remuneration forms a part, we find that the science of political economy, while pointing out the inequalities which attend this distribution and the causes to which they are due, appeals for aid to the cultivation of habits of self-control, of foresight, to the development of the intelligence and of the moral nature. It is useful to bear in mind these considerations while discussing the question before us. They will help us to a clearer

conception of what aid we may expect from society, from the State, and what we must expect from ourselves as individuals. By laying, for example, greater burdens on the wealthy, society may make the rich poorer, but it cannot make the toilers really richer unless the relief obtained is applied in such a way as to tend to the mental and moral development of the people. This is, to my mind, one of the greatest problems of our modern social change, and I shall look most anxiously for any light which your discussions may throw upon it. (Applause.)

MORNING SESSION

HAS THE INCREASE OF THE PRODUCTS OF INDUSTRY WITHIN THE LAST HUNDRED YEARS TENDED MOST TO THE BENEFIT OF CAPITALISTS AND EMPLOYERS OR TO THAT OF THE WORKING CLASSES, WHETHER ARTISANS, LABOURERS, OR OTHERS? AND IN WHAT RELATIVE PROPORTIONS IN ANY GIVEN PERIOD?

Has the Increase of the Products of Industry tended most to the Benefit of Capitalists or to that of the Working Classes?

BY SIR THOMAS BRASSEY, M.P.

I HAVE consented to take part in this Conference in the hope that it may be the means of disseminating useful knowledge and experience among the masses whose lot it is to labour. It was well said by M. Turgot: 'On peut être opprimé par un seul tyran, mais on peut l'être tout autant et aussi injustement par une multitude.' These are not times in which it is well to hold aloof from the trusted representatives of labour, or from the authors of new theories of industrial and social organisation.

It may be that the discussions at this Conference will bring to light some visionary schemes, but is there a man amongst us, who has given a thought to the subject, who sees no room for improvement in the existing economic condition? Does any man question the advantage of a more equal distribution of wealth, or a closer community of interests between capitalists and workmen? To those who with the late lamented Mr. Fawcett have faith in the unlimited capacities of the human race to improve, a conference like this is a golden opportunity. To those who are hopeless, perhaps reckless, for the future, our discussions may appear contemptible. That is not the view of those who are assembled within these walls.

As to the tone in which our discussions shall be conducted, I cannot doubt that a generous toleration will smooth the asperities of debate. As the late Mr. Jevons truly said, in the introduction to his essay on *The State in relation to Labour*, 'The time has come when all class rancour, all bitter terms, all needless reference to former unfortunate occurrences should be laid aside. The economic errors of trades unions are after all not greater than those which pervaded the commercial and even the governing classes a generation ago.' Coming here as the representative of the capitalist class I shall ask that it may be remembered that abstinence from enjoyment is the only source of capital, that it is upon the increase of capital that advances of wages depend, while labour, on the other hand, to use the eloquent phrase of Mr. Mongredien, is the vivifying principle which preserves capital from decay.

I much regret that the limits of time will prevent me from entering upon many topics of the greatest practical importance, including the power and the functions of trades unions, the extension of profit-sharing and co-operation, the representation of labour in Parliament, the recreations of the people, national education, and the value of our colonial connexion to the trade of the mother country and as a field for the energies of her sons.

The loss on the present occasion of such men as Professor Fawcett and Mr. Jevons will be deeply deplored.

And now let us turn to the special subject for discussion. To attack such a topic exhaustively in twenty minutes is impossible. In the circumstances, I have thought that to bring together the testimony of accredited authorities, giving their conclusions, without attempting to produce their facts, would be found an effective method of treating the subject.

Beginning with the most recent writers, Mr. Jeans, the able Secretary of the British Iron Trade Association, has recently published a pamphlet on the comparative earnings of workmen at home and abroad. For England he estimates the average in 1880, at 42*l.* per year. In 1867, a similar calculation by Mr. Leone Levi resulted in an average of 38*l.* Since 1850, as Mr. Jeans shows, a more or less considerable rise in wages has been obtained throughout the whole civilised world—a rise

exceeding that of any previous period of equal duration, and attributable to four principal causes—the application of steam to locomotion by sea and land; the increasing use of labour-saving machinery; the enormous increase in the exports and imports; and the gold discoveries. According to the statistics compiled by Mr. Lord for the Manchester Chamber of Commerce, the percentage of increase in 1883 over 1850 in ten leading industries was 39·18 per cent., ranging from 10 per cent. in mechanical engineering to 74·72 in certain branches of the cotton trade. In agriculture, the advances prior to 1850 have been ascertained by Sir James Caird. The wages of agricultural labour in England were 7s. 3d. per week in 1770; 9s. 7d. in 1850; 14s. in 1878; and, in Cheshire, 17s. 6d. in 1880. In the 80 years prior to 1850 the advances were 2s. 4d. a week or 32 per cent. In the next 28 years, the advances were 4s. 5d. or 46 per cent. Mr. Jeans gives his general conclusion as follows: There has been within recent years a tendency to the cheapening of articles of every-day consumption, and this movement, running concurrently with better remuneration for labour, has induced a higher standard of living than formerly. There is nothing to show that population is pressing on the means of subsistence.

Mr. Mulhall, whose researches on this subject are known to all students of statistics, in the introduction to his volume, *The Balance Sheet of the World*, addresses himself to the special subject selected for discussion by this Conference.

‘All indications point to the conclusion that the number of persons in easy circumstances, or at least above want, is increasing much faster than population.’ He quotes in evidence ‘the reduced ratio of paupers to population, 4·79 per cent. in 1870 and 3·29 in 1880.’ He shows an increase of 20 per cent. in the consumption of imported food and tobacco, and of 30 per cent. in the deposits in the savings banks.

Professor Rogers, who has carried his inquiry on the subject of wages far back into history, and who cannot be suspected of an undue partiality for the hereditary landowners or the capitalist classes, in his last volume, gives statistics which clearly show the melancholy condition of the labourer at the

close of the last and the beginning of the present century. In contrast with this gloomy picture of the past he expresses his conviction that 'the workmen of this country, speaking of them in the mass, are to-day better paid than those of any other settled and fully peopled country, if one takes into account not merely the money wages which they earn, but the power which those wages have over commodities. The rise is entirely of the last thirty years, and unfortunately it has not been shared by all in proportion.'

I give one more quotation from a teacher of economic science. Professor Bonamy Price, in the chapter on trades unions in his treatise on political economy, expresses the opinion that, as an almost universal rule, industrial fortunes are not made out of a high rate of profit, but out of moderate profits earned by large operations. As an indication of the improved condition of the labouring class, he points to the fact that, while the population of London has trebled since 1815, the number of paupers is about the same. But while the numbers are unchanged, the cost of maintenance has been increased fivefold. The rule is, that the pauper shall be maintained at such a standard of living as is usual with labourers of the humblest class. The difference, therefore, in the cost of maintenance has arisen from the more liberal ideas which now prevail as to what is necessary for the poor. A much more elevated minimum of wages has been secured; and the rise is not in nominal wages only, but in the effective purchasing power.

A recent and strictly commercial view of the situation is given in the *Economist* review of the trade of 1882.

The working-man has done well. His food and clothing have been cheap, and work has been abundant. This state of matters places the power of saving throughout the country mainly in the hands of the class which, up to the present time, has saved least, and which invests such savings as it makes principally in fixed investments or in Government securities.

Statistics with reference to the state of trade, and the remuneration and supply of labour, are indispensable to form sound judgment as to the relative claims of capital and labour. In

the collection of statistics on this subject England is certainly not in advance of other countries. The statistics of the foreign trade of the country are tolerably complete; but with regard to the internal trade, which is of far greater importance, the traffic returns of the railway companies are practically the chief indications of the fluctuations of our internal trade. The Government should take in hand the collection and publication of the statistics of the internal trade of the country; and with regard to the remuneration of labour and the cost of living, the Board of Trade should at frequent intervals issue publications similar to those put forth by the Bureau of Labour of the State of Massachusetts and by the Statistical Department at Washington.

The wide extension of commerce and the greater facilities of communication by sea and land which we owe to the introduction of steam, have led to a steady reduction in the cost of the principal articles of consumption. The fluctuations, as determined by Mr. Giffen, and expressed in the form of index numbers, are as follows:—1865, 3,575; 1868, 2,682; 1879, 2,227; in 1884, the *Economist* gives 2,221 as the index number. At the prices of 1883 the wheat imports of 1884 would have cost four millions more. For our imports of sugar we paid five millions less, and we imported a greater quantity. The cheapening of commodities has led to an increase of consumption which may be estimated roughly, for many articles of food not of the first necessity, at double the amount of twenty years ago.

Turning from contemporary inquiries to former investigations, I would particularly refer to a paper read by Mr. Porter before the British Association in 1850 on the accumulation of capital by the different classes of society. Then, as now, the sources of information were limited. The deposits in the savings banks had largely increased. The return of the dividends upon portions of the public debt showed a large increase in the number of persons receiving £5, while other classes remained stationary. The comparisons of the Income Tax Returns between 1812 and 1848 showed that while the total amount assessed had increased by 168·21 per cent., the increase in the lowest class, between 150*l.* and 500*l.*

per annum, was more than 56 per cent. greater than in the highest class of incomes. He made a comparison of probate duty with similar results, and having examined all the official returns which have afforded means for arriving at the truth, he found the most perfect agreement in their results, all pointing to the conclusion that there was nothing to justify the fears of the probable disappearance of the middle classes.

In the *Progress of the Nation*, Mr. Porter deals most elaborately with the condition of the wage-earning classes. The following passage gives the general result of the inquiry:—

If we look back on the condition of the masses of the people, as it existed in this country, even so recently as the beginning of the present century, and then look around us at the indications of the greater comfort and respectability which meet us on every side, it is hardly possible to doubt, that here in England at least the elements in social improvement have been successfully at work, and that they have been, and are, producing an increased amount of comfort in the great bulk of the people.

It will be remembered that Mr. Porter was writing but a short time after the miserable year 1842, a year of which Miss Martineau, in her *History of the Peace*, writes as follows:—

In 1842, distress had so deepened in the manufacturing districts, as to render it clearly inevitable that many must die, while there seemed no chance of any member of the manufacturing class coming out of the struggle with a vestige of property. In Carlisle, a Committee of Inquiry found a quarter of the population in a state bordering on starvation. In Stockport, more than half the master spinners had failed. At Leeds, the paupers' stone heap amounted to 150,000 tons. In Dorsetshire, a man and his wife had for wages 2s. 6d. per week, and three loaves, and the ablest labourer had from 6s. to 7s.

In so far as the public welfare can be promoted by the diminished pressure of taxation, the United Kingdom compares favourably with the rest of Europe. In the decennial period of 1870–80 the amount of taxes per inhabitant had increased, according to Mr. Mulhall, in Great Britain from 3l. 13s. 5d. to 3l. 19s. 9d., while for the rest of Europe the increase was from 1l. 18s. 7d. to 2l. 7s. The increase in Great Britain was

considerably less in amount, and the increased expenditure was devoted wholly to education and to the general improvement of the civil government of the country. The increased expenditure on the Continent was devoted to military preparations. The changes are still more remarkable in the statistics of National Debt. The amount for each inhabitant of Great Britain was reduced from 25*l.* 7*s.* to 22*l.* 9*s.* For Europe, on the other hand, the amount rose from 7*l.* 16*s.* to 12*l.* 10*s.* As regards the incidence of taxation, the whole weight of the additional burdens in this country has been thrown on the capitalist classes. Our total expenditure increased from 77,440,000*l.* in 1874 to 89,000,000*l.* in 1883, while the revenue from customs and excise exhibits no material change. The increased expenditure has been met by an advance of two millions on the stamp duties and by raising the income tax from 3*d.* to 6½*d.* in the pound. Fair Trade—or, in other words, Protection—has been advocated as a means of improving the condition of our agricultural and industrial population. These retrograde proposals have, happily, found little support among the thoughtful and instructed representatives of labour. They well know that free trade has been a mitigating force, that it has preserved the people from the alternatives of misery and comparative plenty which they experienced before the repeal of the corn duties.

Of the legislation of recent years it may be confidently asserted that it is marked by an earnest desire to do justice to labour. The Factory Acts, with which the honoured name of Shaftesbury will be for ever associated, were the beginning of a new era of labour legislation. The right of the labourers to combine to raise their wages, which had been denied to them from the reign of Elizabeth, was recognised at last by the Act of 1875. By that statute it was declared that no combination of persons was to be deemed criminal if the act proposed to be done would not be criminal when done by one person. This seems an obvious principle, but it was new to the law of England. When the present Administration came into power the Employers' Liability Act was one of the first measures which they inscribed on the statute book. Among the various

efforts made by the Government of this country to raise the condition of the masses, the Education Act and its necessary accompaniment, the extension of the franchise in the counties, are, perhaps, the first in order of importance. No agencies are so capable as these of securing the moral and material advancement of the people. In raising the efficiency of labour the results of education are certain. Much yet remains to be done in education. Our educational wants include not only the primary instruction which is now happily universal, but that technical education which is far more fully and cheaply organised on the Continent than with us. Our educational wants include some homely subjects which have hitherto been too much neglected in this country. I would refer, as an illustration, to the art of cooking. With more skill in the use of materials it is certain that much might be done to diminish the cost of living without diminishing the standard of comfort. Economy in household expenditure is better understood in many parts of the Continent than with us. A most useful movement has been set on foot at South Kensington to extend the knowledge of cookery. Progress must of necessity be slow; but great results may, ultimately, be accomplished.

I conclude this branch of my subject with an extract from the *History* of Lord Macaulay. It contains an observation which is abundantly supported by the active sympathy for the improvement of the masses which we see on every side. Contrasting the wages paid in the time of Sir William Petty with the wages and prices of the date when he was writing, Lord Macaulay says:—

A hard struggle for life was maintained, by accepting a miserably low standard of living, by the cruel and reckless employment of child labour, and by supplementing wages from the poor-rates to such an extent that in the reign of Charles II. the poor-rate was little less than half of the entire revenue of the State.

The more carefully we examine the history of the past, the more reason shall we find to dissent from those who imagine that our age has been fruitful of new social evils. The truth is that the evils are, with scarcely an exception, old. That which is new is the intelligence which discerns and the humanity which remedies them.

Having shown what advances have taken place in the accumulated wealth and in the general well-being of the country, I will give some evidence to prove that tendency of profits to a minimum which must inevitably result from the progress of civilisation and the providence and sense of security which it creates.

The rate of profit in business is a subject of great importance to the labourer. More or less, wages must follow the fluctuation in profits. In many trades the want of correct information as to the profits realised by their employers constitutes a great difficulty for workmen. They do not know when to press their demand, nor when to acquiesce in reduction in the rate of remuneration for their labour. It may be safely affirmed, speaking of the larger industries of the country, that profit in excess of the ordinary returns, not immoderate in amount, which is obtainable through commercial operations, can only be realised under exceptional circumstances. A new discovery, a new process, the exclusive command of a good opportunity, will enable the employer for a time to realise a temporary advantage; but sooner or later he will be deprived of that advantage by competition. The larger the accumulation of capital in a country the greater will be the tendency of profits to a minimum, the keener will be the competition in any industry which happens for a time to afford the prospect of exceptional profits.

Writing some thirty years ago, the returns upon safe investments in England were estimated by Mr. John Stuart Mill at from 3 to 4 per cent. In the near future he believed that the annual increase of capital would bring down the rate of profit to 1 per cent. but for the counteracting circumstances of waste of capital in periods of overtrading, improvements in production, greater facilities for obtaining cheap commodities from foreign countries, and the perpetual overflow of capital into colonies in search of higher profits.

The present rate of profit upon investments may be gauged with accuracy by tests which it is easy to apply. The high price of the funds and of railway debentures is an evidence at once of the accumulation of savings, and of the increasing diffi-

culty of finding more profitable investments. The average price of consols has advanced from 88 in 1860 to $93\frac{3}{4}$ in 1875. It has ranged from $99\frac{1}{8}$ to $102\frac{1}{8}$ in 1884. Four per cent. debenture stocks of our railway companies are issued at the rate of many millions per year, and the price has advanced to 116. Other indications of a similar character are afforded by a comparison of the net returns of our railways and the premiums upon stocks. In 1882 the net receipts upon an authorised railway capital of 878 millions were 4.32 per cent. The stocks of the more important lines would not return at present prices a rate of interest in excess of the average net receipts for the whole capital invested in railways. The fluctuations in the Bank rate in ten years, 1873-1883, have been as follows: $4\frac{3}{4}$, $3\frac{1}{4}$, $2\frac{5}{8}$, $2\frac{7}{8}$, $3\frac{3}{4}$, $2\frac{7}{8}$, $2\frac{1}{4}$, $3\frac{1}{2}$, $4\frac{1}{8}$, $3\frac{9}{16}$. If the secure profits of business had been greatly in excess of the Bank rate, there would have been less money on deposit, and higher rates would have been charged for banking accommodation. The average returns upon other descriptions of enterprises are given by Mr. Mulhall as follows: On capital in banks, 270 millions, 6.5 per cent.; on mines and ironworks, 315 millions, 5.5 per cent.; on shipping, 193 millions, 5 per cent. The average return on a total capital of 2,433 millions is 4.4 per cent. The comparison of these figures with similar statistics from foreign countries will show that English labour commands the use of capital at lower rates of interest than have as yet been accepted in any other country with the exception of Holland. The advantage which must result to industry of every description cannot be exaggerated. The English landlord is satisfied with 3 per cent. on money advanced for agricultural improvements. The cultivators of the soil in Germany have to pay to the 'People's Banks,' established by Herr Schulze-Delitzsch, rates of interest ranging from 6 to $6\frac{1}{2}$ per cent. The 'People's Banks' were specially established to supply loans to borrowers in humble life at a lower rate than they had heretofore been called upon to pay, and to destroy the monopoly of capitalists in the profits arising from money-lending.

The assessments of the income tax are another indication of the average profits of our industries. The recent fluctuations

in the returns were described by Mr. Gladstone in his Budget Speech on the 4th of April, 1881. Tracing the worth of 1*d.* of the income tax from 1842, when the tax was first laid, he showed that in the period 1852-1877, the produce per penny of the income tax had grown from 810,000*l.* to 1,990,000*l.* Having grown to these figures, the 1*d.* income tax, which does not represent, as he truly said, the general condition of the people, but the condition of the wealthier classes of the people, had gone back for the first time since it was imposed. The 1*d.* of income tax was estimated for 1881-1882 at 1,943,000*l.* The diminished returns of the income tax to which Mr. Gladstone referred are the more remarkable because in certain descriptions of property, such as houses and railways, the onward movement continues in a certain sense automatically. In house property for example, in the 6 years 1876-1882, the annual value increased from 97,000,000*l.* to 121,000,000*l.* It will be evident from these figures how large has been the diminution in the return from other descriptions of business in which conflicts can arise, as between labour and capital, in the appropriation of profits.

At the present time we may take 3 per cent. as the average rate of interest obtainable by the idle investor. Anything beyond that which does not represent insurance to cover extra risk or the reward of labour and skill will be speedily cut down by competition. The effects of competition in bringing down the profits to a minimum are exhibited in a striking manner in those branches of trade which at the present time are in the least prosperous condition. Why is it that the profits on the coal and iron trades have fallen below the returns obtainable in other great branches of industry? It was because extraordinary profits, though realised for a short period, led to a development of production which still remains far in excess of the normal demand. In the two years 1870-1872, the quantity of coal produced in the United Kingdom was increased by no less than 13 millions of tons. In the iron trade the inflation due to similar causes has been of a more recent date. Comparing the years 1879-1882, the production of pig iron was increased from 5,995,000 tons to 8,493,000 tons, while the production of steel rails was increased from 520,000 to 1,236,000 tons. In ship-

ping, the latest instance of over-production, the registered steam tonnage was increased from 2,723,000 tons in 1880 to 3,728,000 tons in 1883. With such a development of the carrying power a reduction of freights to a point which left no remuneration for the shipowner was inevitable. At the present time our docks are filled with vessels laid up, and the principal companies running between Liverpool and the United States are unable to declare a dividend to their shareholders.

A cursory examination of the dividends on the joint stock companies connected with the coal and iron trades will show that in 1884 the maximum returns rarely reached, and still more seldom exceeded, 10 per cent., while the instances were numerous in which no dividend was declared. I happen to be a shareholder in a large coal mine in South Wales. It is under the able management of Sir George Elliott. When the coal famine caused the excessive advance of price, he clearly predicted the disastrous results which must follow. For a long period of years no dividend has been declared. In the meanwhile it has been impossible to stop the working of the mine, and with a view to diminish the cost of working a large expenditure of capital has been called for. We are in a better position than before to take advantage of a favourable turn in the market, but of this there is as yet no prospect. I have been led to refer to a particular instance because it is a striking illustration of that mutually destructive competition, which is certain to follow any abnormal advance beyond the very moderate rate of profit which is usually obtainable in this country.

The state of trade in the United States has for some years exhibited a most striking illustration of the ultimate disastrous results of an exaggerated rate of profit. Protection was originally introduced as a ready means of at once paying off the debt incurred during the Civil War and encouraging the development of domestic manufactures. For this purpose rates of duty ranging from 20 to 200 per cent. were imposed on foreign goods. In the first instance profits were increased in corresponding ratio. These profits unduly stimulated production, while the manufacturers, enervated by the tariff, were incapable of competing in point of price with the foreign manufacturers

in any other market but their own. After a few years the American market became glutted with excessive supplies of goods. So long ago as 1878 Mr. Blane, the Chairman of the Maryland Convention, called attention to the fact that 1,200,000 able-bodied men were out of employment, and that numbers were roaming about the country a terror to the resident population. The state of affairs at the present time in the United States affords evidence of the disastrous results of a protectionist policy. In spite of the advantage afforded by a liberal system of public education, leading to a marvellous development of ingenuity and great efficiency of labour, and with an ample supply of the raw materials, we find that the operatives in the cotton trade of Massachusetts are in a position a great deal worse than that of the operatives of England. They work more hours and harder, the pay in many cases is less, while rents are from two to three times higher, fuel 104 per cent., clothing 70 to 80 per cent. higher, and other things in proportion. The reduction of wages since 1874 is no less than 50 per cent. The dividends on the joint-stock mills may be accepted as an indication of the average return on the capital invested in the cotton industry of the United Kingdom, and we find the dividends range from 12 per cent. to 5 per cent. These returns are not excessive, but they are sufficient. They are far more advantageous in the end, both for capital and labour, than the high profits which have been realised in this country in the iron and coal trades, and in America from the unwise fiscal system adopted under the circumstances already described, but the unwisdom of which, under the pressure of the present hard times, is becoming only too palpable to the industrial community which is suffering so severely from its effects.

While I have shown how the profits realised by employers, under the present organisation of industry, have been brought down by competition, the large accumulations of capital in this country being derived from savings rather than profits, I readily admit that the division of the industrial world into employers with and labourers without wealth does not present a perfect ideal. Under the present system, as Mr. Jevons truly said, every demand for wages and every strike is made in the

dark, and the point to which the master carries resistance is the only real test of the sincerity of his professions. In spite, however, of its obvious disadvantages, the actual constitution of industry exists because it is the easiest and the most natural. To work as a member of a co-operative association demands higher moral qualities than are required, either in employers or workmen, in the more usual industrial relations. Mr. Fawcett, an earnest advocate of co-operative industry, was fully alive to its difficulties. He knew that the joint-stock company could not compete successfully with the individual trader in any business where constant watchfulness and attention to small details are of essential importance.

The co-operative plan is not adapted to trades exposed to the uncertainties inseparable from agriculture. We have seen how spasmodic and fitful are the profits in mining and in the iron manufacture. Even in the textile industries, where the conditions vary less from year to year, a fair average cannot be taken over a period of less than ten years. These are not conditions which are suitable to men accustomed to receive the whole of their earnings in the form of weekly wages.

The necessity for providing capital wherewith to commence operations presents another difficulty which can only be overcome by the establishment of limited liability companies, in which membership is not necessarily limited to the operatives employed. Even in agriculture, the co-operative plan can scarcely be adopted sufficiently widely to tell upon the condition of the farm labourers as a body. Every improvement in agriculture demands a large outlay. Draining, the purchase of stock, the formation of roads, fencing, laying down land to grass, the construction of buildings, all these are operations involving large preliminary expense, with a remote and uncertain return.

Profit sharing is another form of co-operation. In many cases the distribution of a bonus on profits is a wholesome stimulus to exertion, and an act of justice to workmen. Even a percentage on profits is not unattended with difficulty. If the wage-earner were required, as a condition of sharing in the profits of a good year, to accept a reduction of wages in a losing

year, the system would be less acceptable to many than a steady average wage.

Such being the difficulties, practical as well as theoretical, an extensive change in the present industrial system is highly improbable. It is, however, in the highest degree desirable as far as possible to liberate industry from the deadening influence caused by the antagonism of interest between capital and labour. Nothing will so facilitate the development of co-operative industry as the spread of education. It tends to develop those qualities of independence, self-denial, and resolution without which an industrial partnership cannot be carried out with success.

Many examples might be quoted of co-operative work. Some of the earliest are given by Mr. Smiles in his essay on *Thrift*. The fisheries have been largely conducted on this principle for hundreds of years. From the earliest dawn of history the tin-miners of Cornwall have been co-operators. In Paris co-operative industry has long been advocated by social reformers. Several examples have been described by Mr. Sedley Taylor. In the business of house-painting and decoration, the Maison Leclaire paid in 1882 wages to the amount of 43,000*l.*, while a bonus of 9,630*l.*, or 22 per cent. on the wages, was distributed amongst 998 participants. Mr. Taylor also quotes numerous instances of the payment of a bonus based on profits by private individuals, such as M. Chair, the bookseller, and M. Bord, manufacturer of pianofortes. He also gives details of a similar system carried out by the Orleans Railway Company, and by the Vieille Montaigne Zinc Company, of Liège, which gives employment to 6,500 hands.

The list on next page, prepared by the secretary of an association for the purpose of extending the co-operative system in England, shows that, to the limited extent to which this organisation has been carried out in this country, a fair measure of success has been attained.

With these examples before us, with the immense advantages derived from an improved national education, and with the aid of many men of distinguished abilities, who have enlisted in the cause from the purest and most philanthropic

A RETURN, SHOWING THE RESULTS OF TWELVE CO-OPERATIVE PRODUCTIVE SOCIETIES BASED ON THE CO-PARTNERSHIP OF THE WORKERS, FOR 1883.

	Share Capital	Loan Capital	Reserve Fund	Sales	Net Profit	Profit, How Divided
	£	£	£	£	£	
Airedale Worsted Manufacturing Co., Bradford .	2,026	527	250	6,449	571	Capital 7½ per cent. and 8½d. in the £, 8½d. to trade and labour.
Coventry Watch Manufacturing Co., Coventry .	1,006	56	279	3,537	260	1s. 7d. capital, 1s. 8d. labour, 10d. to trade.
Co-operative Printing Co., Manchester	14,751	13,017	1,477	33,262	2,764	1s. 10½d. capital, 5½d. labour, 2½d to trade.
Eccles Quilt Manufacturing Co., Eccles	4,766	2,362	230	7,461	1,360	5 per cent. and 6d. to capital, 6d. to labour.
Hebden Bridge Fustian Co., Hebden Bridge . .	16,499	2,150	946	21,272	1,980	7½ per cent. to capital, 7½d. to labour and trade.
Elastic Web Manufacturing Co., Leicester . . .	995	100	—	4,875	254	5 per cent. capital.
The Hosiery Manufacturing Co., Leicester . . .	1,146	544	150	5,286	127	7½ per cent. to capital, 4d. trade, 1d. labour.
Northamptonshire Productive, Wellingborough .	350	150	20	2,825	307	5 per cent. capital, 6s. 8½d. to labour.
Leek Silk Twist Co., Leek	161	450	36	2,603	128	
The Cutlery Manufacturing Co., Sheffield . . .	137	189	—	493	22	
Dunfermline Linen Manufacturing Co., Dunfermline	778	209	148	1,519	69	Capital 5 per cent. and 6d. in the £, labour 6d., trade 6d.
Paisley Manufacturing Co., Paisley	2,838	4,999	202	17,029	983	Capital 4½d. in the £, labour 9½d., trade 9½d.
	45,453	24,753	3,738	106,611	8,825	

Showing a net profit of 19·4 per cent. of the share capital employed.

NOTE.—Allowance to labour is on wages paid. Dividend to trade is on amount of purchases. In some cases capital is allowed something over the ordinary interest.

WEDNESDAY MORNING.

motives, we have reason to hope that, in the future, we shall see many co-operative establishments growing up side by side with those carried on upon the old footing. The latter will always be the more numerous, but the moral effect of a further development of co-operation will be felt over the whole industrial world. I am confident that the effect will be beneficial, and that operatives, as they become acquainted with their difficulties, will be more contented with the wages they earn from their employers.

My allotted space is now exhausted. I have endeavoured to answer the first question submitted to this Conference by laying before you the impartial testimony of the most competent economists. Their opinions lend no support to the vague impression which prevails that the rich are growing richer and the poor poorer than before. Progress—real progress—has been made towards a more satisfactory social order. But we are very far from having attained to an ideal state of perfection. A more even distribution of wealth, a more complete identity of interest between capital and labour, are earnestly to be desired. In so far as that consummation is to be accomplished by the workmen themselves—and they must be active instruments in their own advancement—our hopes for the future rest on co-operative industry. Their efforts must commence with the simplest forms of industrial organisation—those which require the least amount of capital and are most free from the fluctuations so painfully felt in international commerce. In industries which cannot be organised so readily on the co-operative plan, the extended operations of the joint-stock companies will secure the publication of profits and afford opportunities to the workmen for participation, as holders of shares, in the profits of capital. One condition is essential. The workman must save from his present earnings. This condition is easy for the Celt. It is hard for the more vigorous but more open-handed Englishman. The improved returns from savings banks and building societies encourage the hope of a growing capacity for thrift in the Anglo-Saxon race.

Having referred to the workmen, what should be said to the capitalists? Capital is amassed, for the most part, by individual contributions of very modest proportions. But the aggregate

sum is immense, and as it is capable, under wise direction, of conferring the greatest benefits on the community, so by injudicious investments deplorable suffering and misery may be caused. To the excessive accumulation of capital in the hands of individuals there are obvious objections, if not from an economic, at least from a social, point of view; but the accumulation of capital in the aggregate, apart from its distribution among individuals, is essential to the prosperity of labour. The figures quoted in this paper show an average rate of profit on investment in British industries so moderate that if it were materially reduced there would be no inducement to engage in any industrial operations. In the absence of any exceptional profits to cover the risks of business, Government stocks, railway debentures, and mortgages would be the only channels in which savings would be invested. The price of guaranteed securities would advance enormously, and the growth of industry would be arrested with results most disastrous to the wage-earning classes.

At various epochs in our industrial history the public has been possessed with manias for the extension of railways, mills, mines and ironworks, and for loans to bankrupt States. The consequence of alternations such as I have described in the iron trade and shipping are shared by all concerned. The price of labour depends on the demand for it. We have an example in the earnings of the Scotch colliers, which rose from 3s. 9d. a day in 1870 to 9s. 11d. in 1873, and fell to 4s. 8d. in 1876 and 3s. 2d. in 1878. Changes of this violent character entail great misery on the wage-earner.

In the shipbuilding trades the state of affairs on the Clyde in 1883 was thus described in the columns of *Iron*:—In time of ordinary activity about 40,000 men are employed in shipbuilding on the Clyde. The numbers have increased during the past twelve months to over 50,000. Wages have gone up by leaps and bounds. Riveters' wages have increased 50 per cent.; fitters', 25 per cent.; caulkers', over 90 per cent. By the piece-work rates caulkers earn about 2l. 11s. per week; riveters, 4l. 10s. and upwards; fitters, 5l., and in many cases over 7l. a week. At the present time, after an

interval of little more than a year, how different would be the reports we should receive of the condition of the labour market on the Clyde.

The total number of hands employed in shipbuilding has been reduced, according to Mr. Jeans, from 94,700 in 1883 to 59,200 in 1884.

If, as Mr. Greg most truly said, the money squandered in many a barren enterprise had been expended on comfortable dwellings for the labouring poor, what an inestimable boon would have been conferred! The sharp lessons of the past should teach caution, not discouragement. The fact which lies at the root of competition is the insufficiency of work for the workmen who are seeking it. Of all forms of investment at present open to British capital, none could confer a greater benefit than the building of industrial dwellings, and judicious advances for colonial enterprise.

Among the owners of capital the wealthy are the few—so few indeed, that, as an economic force for the regeneration of society, their utmost efforts of self-denial would exercise no appreciable difference: but if we may argue on the one hand, with the late Mr. Bagehot, that it is not a Spartan or ascetic state which most generates saving, and that without the multifarious wants which are called luxury, there would be far less saving than there is, we must admit, on the other hand, that all consumption of luxuries is unproductive. It creates a temporary employment, while it destroys the capital, which, if saved, would have been a permanent addition to the wages fund.

The excesses of self-indulgence have been held up to universal obloquy by the poet-laureate in the opening lines of the Palace of Art:—

I built myself a lordly pleasure house,
 In which at ease for aye to dwell.
 I said unto my soul, 'Make merry and carouse,
 Dear soul! for all is well.'

To the truly wise man a life of ease presents no allurements. He knows how hard it is to avoid giving provocation to envy

and hatred. He is humbled and saddened by the perpetual consciousness of the misery around him. Taste and the sense of duty alike point to simplicity of life. Wealth, if valued at all, will be valued only as a power which it is his duty to use as a steward for the public good.

Profits of Industry and the Workers.

BY LLOYD JONES.

THE question proposed for discussion to-day is important ; it is also difficult. 'Has the increase of the products of industry within the last hundred years tended most to the benefit of capitalists and employers or to that of the working classes, whether artisans, labourers, or others ? and in what relative proportions in any given period ?'

Before attempting to answer this question we ought to understand what the industrial state of England was at, or about, the time when our inquiry begins. Nearly all statements in regard to wages, profits, social condition of the workers, wealth of the employers, and general state of the nation are more or less conjectural. Our industrial condition since the middle of last century has been completely revolutionised, not only as regards methods of work, but also as regards the industrial and social condition of the worker ; and though it would be impossible to prove every point in such a statement by elaborately prepared tables of figures, we may, by an examination of the facts of our industrial history as a nation, arrive at fairly reliable conclusions as to how the people of England worked and lived before machinery was so universally applied for productive purposes.

Arkwright took his first patent in 1769. Hargreaves, Crompton, Cartwright, Watt, and Whitney made up a group whose labours completely altered the industrial aspect of the world. Previously to this time the man as a worker was the main reliance, and the increase of our industrial resources was principally sought in a judicious division of labour. From this

time human labour, though still necessary in connexion with machinery, became subordinate to it; and how to develop and make perfect mechanical power became a matter of much more serious consideration, in a business sense, than how to develop and improve the faculties and powers of man in a human sense, or how in any way to improve his condition, industrially and socially, by aid of the newly-acquired power placed in the hands of society.

- During what may be called the pre-mechanical times, England, for reasons which need not be further alluded to here, had but a very limited foreign trade, especially in manufactured articles. Our chief source of employment was the land, and our skilled and manufacturing industries were such as were needed to meet the wants of our own people. In this way demand for commodities increased as our population increased. In actual amount at any given time, and in the increase of this over any given period, neither could outrun the other to any very inconvenient length. When the community was supplied and the expense of production defrayed, the profit remaining might be regarded as little more than was necessary to make such extended provision for an increasing trade as might be found necessary. Under such conditions excessive speculative production could not be entered on. The employer, whose business increased, provided for such increase out of the profits his growing trade had given him. Increase was slow: there were no 'leaps and bounds'; there were few panics or crises; there were no colossal fortunes; the manufacturing millionaire was a playful, unrealisable fancy, not a reality known to the officials at the Probate Court.

The working man was also different in position and condition from what he is to-day. For the most part labour operations were carried on in the home of the employer, or in accommodation attached to the house he inhabited. The worker served a seven years' apprenticeship to his employer, who himself had obtained his right to carry on his trade by an apprenticeship served in his youth. The number of apprentices was regulated by the number of journeymen, and thus the new 'hands' found their way to where increase of trade was actually taking place.

The absolute separation of the worker from his employer which prevails at the present day was then impossible. The apprenticeship and the journeymanship that followed, partook somewhat of the family relation; and it is recorded that the friendships and affections of the family were frequently continued in the workshop. In times of brisk trade there was willing activity on the part of the worker, and, when trade was slack, hospitality and help from the employer.

The income of the nation was not known with any certainty then any more than it is now. Sinclair, in his *History of the Public Revenue of the British Empire*,¹ tells us that Henry VIII. had a survey made of the whole kingdom—of the number of inhabitants, their age, professions, wealth, income, and every other important particular. This survey is unfortunately lost, the only thing which it contained at present known being ‘that the income of the whole kingdom was estimated at four millions *per annum*.’ He also gives us in the second part of the same work (page 9) the estimate of the income of the nation, made by Arthur Young about the time our inquiry commences.

	£
Income from land	63,000,000
From manufactures	20,000,000
From commerce and the colonial possessions	17,000,000
	100,000,000

Mulhall states the income of England in 1770 at 122 millions, whilst Pultney’s estimate of the capital of the country at the same period in land, houses, stock of all kinds, materials for manufacture, shipping, cash, money in the funds, in short everything that can be denominated wealth or property, at 1,000 millions.² This may be taken as the industrial condition of England. The employers and artisans worked on a system that had been slowly formed by the daily experience of centuries, and which had the sanction of deeply-rooted custom, and, it may be added, deeply-rooted prejudice. That it answered all the claims of justice need not be asserted here; that there was neither deep suffering nor dangerous discontent

¹ Sinclair, vol. i., p. 115.

² *Ibid.* vol. i., p. 9.

I do not say ; all I desire to make clear is that the employing class and the working class were more on an equality socially than they now are, and that the extremes of poverty and wealth were not so dangerously distant. Dr. Aikin tells us how the 'eminent Manchester manufacturer of the early part of the eighteenth century took his porridge breakfast, surrounded by his sons and daughters, who helped him in his business, as early as six o'clock in the morning, and dipped their spoons in a dish of milk that stood beside the porridge.' And Ratcliffe, in his book entitled *Origin of the New System of Manufacture*, says that, when he was a young man in 1785, any young weaver might from his earnings lay by sufficient to set him up as a manufacturer, and he himself did this. He describes also the condition of the weavers and of their houses a hundred years ago as one of such comfort that it seems at the present time to be incredible. But perhaps the best test of the general condition of the working portion of the population is to be found in the amount spent on the poor annually in poor-rates.

Such expenditure, however it may be called, is a payment to meet requirements on the part of the most necessitous of our workers, which the wages earned are not sufficient to meet ; that is making allowance for exceptional misfortunes, and the self-provoked sufferings of the ill-conducted, which operate at all periods.' This fund, as Mr. Senior tells us in his essay on the *English Poor Laws*,¹ averaged for the three years ending 1750, 690,000*l.* odd a year, which is but slightly over the average from 1673, up to that time. I do not urge any fact stated here as proof of a high state of prosperity. I am simply seeking to make plain the actual condition of the people, the amount of comfort they secured, and the misery they avoided by the use they made of the means at their disposal.

I have stated that whether we consider this state of things satisfactory or not, it was the slow growth of time. It had no pretence to scientific initiation ; its worst features were not justified by scientific arguments, based on abstruse principles. It was the child of time with such amendments as experience

¹ *Edinburgh Review*, October 1841.

had succeeded in effecting; and such faults and abuses as self-interest and prejudice were strong enough to preserve.

Of the new industrial life begotten by the inventions of the remarkable men already named, the birth may be said to have been instantaneous, and the growth rapid. An enormous power beyond our means of calculation was placed in our hands. Our knowledge of how to use and direct it had not come with it. It demanded intelligence, wisdom, and humanity to deal with it in its facts and consequences; and these unfortunately were not to be had when wanted. Intelligence to develop its power in the work of production; wisdom to adapt it to the other productive forces of the world, so as to avoid loss or injury by antagonisms of interest; humanity to fit it to satisfy the requirements of society at large, rather than those of a class; and thus to connect it with human labour, so that it should help the worker, without displacing and ruining him, in its first introduction. I wish here to guard against misunderstanding, by saying that I am friendly to the introduction of machinery. I am simply speaking of the method of introducing and working it, so that it may be a blessing to men, and not in any way an injury or a curse.

Machinery as a great productive force became at first the possession of those who had money. The inventors at the very beginning were taken captive by the possessors of capital. Some of them did well in their bondage, others not so well. The masses of the workers were absolutely shut out by their want of means individually. As the Combination Laws were not repealed till 1824, it is clear that nothing could be done by associative efforts to obtain possession of any portion of the new mechanical productive power then rapidly coming into existence. Day by day this increased, and the first effect was to produce more rapidly than the existing markets required. All articles so produced became much cheaper; but habit of use and means of purchase were not sufficient to carry off the greatly augmented production of the country. The first effect, therefore, of the comparatively extensive establishment of mechanical production was to disemploy the hand-worker. His old method of production rapidly fell into

disuse; as, in addition to its clumsiness and dearness, the markets were kept constantly overstocked by the product of the machine. The distress of the country and the increase of the poor had other causes besides the displacement of labour, the American and French wars being amongst the number; but it is a significant fact that over the whole of the time we have been in possession of this marvellous productive power the poor-rates have been continually on the increase. As already stated, a three years' average was, in 1750, under 700,000*l.* In 1785, 1,912,000*l.* was the average over a similar time. When the present century opened, however, this was above 4,000,000*l.* During the machine-breaking period it had gone to above seven millions sterling. In 1820 it was 7,330,256*l.* In 1834, the poor-rates, as stated by Senior, amounted to 7,511,219*l.* By the passing of the Poor Law Amendment Act, they were reduced to 5,110,683*l.* All this time machinery had gone on increasing, and the wealth of the country rapidly growing. Now in 1884, taking into account our enormous mechanical and chemical productive powers, and the wealth produced (so far as we can estimate it), side by side with a poor-rate over 8,000,000*l.* sterling, for England alone, the inquiry of to-day cannot be considered premature or unnecessary.

I believe there is no correct estimate of the mechanical power we possess, counted as manual, or man power. Professor Leone Levi, in his lectures entitled *Work and Pay*, delivered in 1877, tells us that 'to make by hand all the yarn spun in England in one year, by the use of the self-acting mule carrying 1,000 spindles, viz., 1,000 threads at the time, we would require 100,000,000 of men.' We may now say that our mechanical power, including railways and steamships, must be equal at least to 1,000,000,000 of men. What this produces in annual wealth, compared with what was annually produced before our industrial mechanism was invented and applied, nobody can tell.

In what proportions this is divided amongst our several classes, many have attempted to inform us; and though their tables of figures look formidable, it is right to say they are not

accurate, for the simple reason that the requisite facts are too numerous, intricate, and obscure to be ascertained. The amount of our productive power is unknown; the market value of our produce, which is always varying, is never certain. The profit on the vast business done in the multitude of articles we produce is, and most likely ever must be, absolutely unknown. The proportion that goes to the higher and middle classes cannot be discovered. Rent of land may be pretty accurately estimated; profits on trade, wholesale or retail, never. The statistician makes a wild guess, and tables it in figures; but he, in fact, leaves the matter where he found it. Mr. Giffen, I have no doubt, tries to get as near the fact as possible, of the profits on the foreign investments of our monied men, acknowledged and unacknowledged. He says, 'I believe I shall be confirmed by those who know the city, in the opinion that much income comes home from abroad which is not returned to the income tax authorities; those estimates fully warrant me in setting down 40,000,000*l.* as the foreign income omitted from the income tax returns.'¹ This one fact vitiates all argument as to the income of the monied classes. If the income tax collectors can allow such a sum to slip through their fingers, having many better reasons for ferreting out the truth than our statisticians, it is startling to think of what may escape in connexion with the wholesale and retail trade, and the multitude of investments made by our traders and others at home. Going from our manufacturers and traders to our working people, the difficulties of the statistician increase. It is easy enough to venture an estimate of the numbers belonging to that loosely defined class, commonly called the working class; and it is not difficult to say that they earn so much, each individual by the day, the week, or the year. It seems one of the easiest things possible, by addition and subtraction, to settle what the wage earners of a family receive; and by extending the calculation to show what is the gross annual income of the millions who live on the wages they earn. The numbers of the class being stated, and the supposed daily income set down, all the rest follows with admirable clearness. It is usually forgotten

¹ *Essays in Finance*, p. 171.

that there are serious deductions to be made from an income so reckoned on account of sickness and broken time, through misfortunes in the workshop, and a number of minor causes, which, although they do not attract public notice, are yet serious causes of loss and suffering to large numbers of workmen. In addition to these, it may be said that if we set down half the members of any skilled trade as belonging to their trade society, it will be found that every such body has a number of its members out of employment—in times of bad trade, a large number; when trade is good, a smaller number; but always some. The half, not in the union, are usually worse situated, as the men do not help each other so willingly; and, as a rule, are not so steady or so well skilled as the men belonging to the unions.

We have no stated allowance for lost time. This is so important a matter in connection with wages, that the sum deducted ought to be distinctly stated. Mr. Hey, one of the Secretaries of the Moulders' Union, has prepared an elaborate account from the books of his society, and finds the time lost by their members to be 20 per cent. or one-fifth of the whole. This calculation, if carried out over the non-union workers, would be much increased, and this has to be added to depressions of trade like that existing at present; and though generous efforts have usually been made to relieve the sufferings of those out of work, it is not going too far to say that not only savings, but wages, yet unearned, have to be largely used to get rid of the indebtedness incurred at such times. Professor Leone Levi, in a recent article in the *Times*, brings the wages of the workers up to 523 millions sterling; but the calculation of Mr. Hey rubs out over 100 millions of this amount.

Beyond this the improvements and depressions of trade are continually occurring, and these changes and uncertainties have an exceedingly bad effect on the condition of our working population. Mr. W. M. Halbert, in his book called *Economic and Financial Science*, points out, that there is what he denominates a cycle of seasons in trade, that bring round periodical revolutions known as financial crises. Each decade, in its parallel years, presents commercial phases almost alike if

not identical; and he shows by undeniable facts that this is the case. He gives the years and states the principal causes. In 1826, the culminating cause lay in foreign loans and mining speculation; 1837 and 1838, the great American panic; 1847, great railway panic and Irish potato rot; 1857, financial panic, including Western Scottish Bank failure; 1866, Overend Gurney as one fact in the general disaster. In these five periods there were sixty years out of which there were six years of financial crises and financial depression; fifteen years of great depression and general stagnation; six years of slow recovery from depression and stagnation; six years of decided recovery from commercial depression; eighteen years of prosperous and remunerative commercial enterprise; and eleven years of overtrading and commercial reaction.

If the description given by Mr. Halbert is kept in mind, it will be seen that over thirty of these years mean a strongly depressed, or a declining, and a recovering trade. In these three conditions the working-men of the country are very unfavourably situated. The employer's chief resource, to curtail expense of production, at such times lies in a curtailment of the wages of labour. He has little or no influence over the price of raw material, expenses of management must go on, if the organisation of his establishment is to be kept up; whilst wages form so large a proportion of the cost of the manufactured article, that they become naturally and immediately a direct object of attack. I do not mean that such an attack is the result of prearrangement, nor that the employers as a body always approve of it. Among the employers of England there are many who, with insufficient capital, are eager to avoid defeat, and to fight their way onward in the competitive battle on which they have entered. As a rule, these commence the attack on wages. It may be their position at the bankers compels them to realise, and they sell at reduced prices for this purpose, and having made the necessary sacrifice in the market, they seek to recoup themselves by reductions of wages. However few these may be, the better disposed, and better situated, must follow, for the purpose of meeting their competitors in the markets; and hence a war between capital and labour, I think I may say not

serviceable to the interests of the employers, but most decidedly adverse to the interests of the workers.

In this way, when the periodical decline sets in, a severe pressure on wages commences, which continues till the worst part of the depression has passed. During this time the trades union is fighting to prevent a too rapid descent. When a turn for the better takes place, the trades unionist fights to regain the ground he has lost, and this being an uphill fight is also a severe one; and assuming that he gets back to his old position, in amount of wages, all that has been lost, in both the retreat and advance, is gone for ever; as there are no means of recovering the cost of a strike or a lock-out, whichever way it may terminate. It has been pointed out many times that the working-men of the country might avoid this loss by a policy of non-resistance. True—but as this, all the world over, means a policy of ruin to those who adopt it, the working-men of the country, so long as they have in them the power to unite, are not likely to adopt it. No men know better than the trades unionists of the country, how much loss there is attending strikes. Mr. Henry Ashworth, who published in 1854 a full account of the Preston strike of the previous year, informs us that the cost of this local strike in loss of wages was 250,000*l.*, and in contributions spent in support of the people on strike 97,000*l.*, in the whole, 347,000*l.* If we add to this the privations and sufferings in the homes of the people on strike, it will be easily understood with what terrible force such a calamity must come home to the minds of working-men; and yet, singular to say, such circumstances, when they occur, instead of acting as deterrents, have precisely the opposite effect. Those who condemn strikes should understand that until some better plan can be discovered for protecting the interests of the workers, strikes, however objectionable, or however heavy in the losses they bring, must continue.

It is right to say here that working-men generally are not favourable to strikes; that, on the contrary, the leaders of trade societies exert themselves to prevent them, and would be very glad to see an end of them, could any alternative be found that on the whole would answer their purpose as well.

Arbitration has been tried, but it does not appear to have grown into favour. It is slow, expensive, and at the same time very uncertain in its results. The sufficiency and correctness of the data are not always satisfactory; besides which, foregone conclusions in the minds of those who hear the evidence and give judgment, whether they operate or not, are frequently suspected as being in operation.

Regulation of wages by sliding scale has been for some time in operation in the coal trade, but it would be premature at present to pronounce any judgment either in its favour or against it. The arrangement in the coal trade is that wages shall rise and fall in given proportion to rise and fall of price in the coal market. It is not, however, in accordance with economic doctrine to regulate the price of one commodity by that of another; and as labour and its market may at any time be different in its conditions from coal and the market in which it is sold, it does not appear reasonable that the price of the one should regulate the price of the other. An over-supply in the coal is now becoming something like a regular condition, in consequence of an enormously increased capacity of out-put. This may be regarded as meaning a permanent lowness of price, and by consequence a permanent lowness of wages, even though the demand in the labour market should be favourable to an advance of wages. In addition, it may be said that as the men by their union may be presumed to have some power over the price of labour, and never can have any in regard to the price of coal, it appears as if something was risked by the miners in making such an arrangement. In such a matter as this, however, it is dangerous to be too positive in urging an opinion strongly in opposition to any the men may themselves favour. I imagine that as a rule the men are the best judges, and if their experience of a sliding scale disposes them in its favour, the best way is to try the experiment fully, before any positive judgment is pronounced.

Of one thing we may be certain. Up to the present time the considerations named here inevitably point to the necessity for very heavy deductions from whatever sum may be stated as the nominal wages of the workers of the country. The estimate

can never be carried beyond a guess. Uncertainty of employment, difference in wages, losses by strike, difference in skill, and many other considerations, place the wage-receiver far lower, as a partaker in the income of the country, than the statisticians place him.

Much stress has been laid on the amount of money saved by the working people, as in savings banks, building societies, co-operative and other societies. Such investments are proofs of providence, but not so much of increased means. Money in a savings bank is not a permanent acquirement, and when such deposits are balanced with withdrawals this becomes plain enough. Money paid into building societies to a large extent belongs to other classes; whilst the money saved in the co-operative societies of the kingdom is simply a saving on expenditure, the bulk of which is drawn out at intervals to meet the household requirements of the members. Indeed, were the whole amount which is not required to be held within call to meet contingent demands summed up, it would be found not more than sufficient to cover the indebtedness of the millions of Englishmen who live on the daily wages they earn. So that in fact the income of the working people may be regarded as little, if any, more than sufficient to meet their wants, one year with another.

In saying this I speak of the whole working class, commonly so called, but I wish to add that this class is made up of many classes. The highest skilled of these are comparatively well paid. They live in moderate comfort, and having the inclination, have got the means to save. Below these there are gradations running into pauperism. When in full work they can with difficulty pay their way, but at their best times they have a crippling indebtedness to pay off, and as these times alternate they can never be truly regarded as in a condition to save. At the lowest and worst it is no exaggeration to say that comfort in their present position is impossible, and hope of independence by their own exertions a possibility so remote as to make despair and recklessness a hideous inheritance from generation to generation. I have examined a number of the figures given by Edward Young in his elaborate work, *Labour in Europe and America*,

and while I admit the industry displayed by Mr. Young to be highly creditable to him, I cannot admit the accuracy of his figures on this subject. Professor Leone Levi's figures appear to me of a like kind, estimated, not ascertained. 'I have,' says Professor Leone Levi, 'estimated upon a very good basis, though necessarily in a general manner, that the 12,000,000 persons at work annually earn about 418,000,000*l.*' A general estimate, however laboriously made, does not meet the requirements of the case; and when we are afterwards told that the income of the middle and upper classes united amounts only to 349,000,000*l.*, with something added for that portion under 100*l.* not assessed to the tax, we are puzzled how to reconcile it with general estimates made by other experts. Two years after Professor Leone Levi's book containing the foregoing statement came out, Mr. Dudley Baxter published his work on the *Taxation of the United Kingdom*. He no doubt, also estimating on a 'good basis,' states the income of the 'manual labour class' at 325,000,000*l.*, or 93,000,000*l.* less than Professor Leone Levi. He also gives the income of the upper and middle classes as 490,000,000*l.* This is 141,000,000*l.* more than Professor Leone Levi's estimate; not allowing for the difference pointed out in consequence of the excluded 100*l.* not taxable. If, however, we turn to Mr. Mulhall's *Dictionary of Statistics*, we find on page 246, that the middle and upper classes possessed an income for 1883 of 818,000,000*l.*, a sum of 328,000,000*l.* more than Mr. Dudley Baxter and 469,000,000*l.* more than Professor Leone Levi. Of course allowance must be made for difference in time between the two first named gentlemen and Mr. Mulhall; but the discrepancy between all three seems difficult to explain. Professor Kolb, in referring to these returns, remarks, I think very truly, 'that all such estimates are as a matter of course very uncertain.'

There is nothing more variable than the net income of working-men. The wage paid, the time worked, the number to be supported, vary so much and so continually, that how much passes into the houses of the working-men to meet, per head, the requirements of their families cannot be got at with

anything approaching to certainty. Personally I have acted as arbitrator in a large number of important cases between the working-men and their employers, more particularly in the coal trade; and I have found, without any apparent inclination to deceive, startling differences between the wages stated by the men as those received, and by the employers as those paid. It has struck me in thinking over this matter, that the men estimate their wages more as the average of their receipts over the year with all drawbacks of broken time and the lower as well as the higher wages counted in; whilst the employers confine their calculations more to the higher earnings of the best workers, and take them after the manner of the statisticians, as though they were earned and received during the whole working period of the year. Besides, I have noticed, in looking over Mr. Young's large volume, that the information it contains comes from men whose positions are more in alliance with capital than with labour. I cast no doubt on them on this account; only my experience tells me that the unconscious leanings of position in such an inquiry as this count for much more than impartial outsiders are likely to imagine.

Before leaving this part of my subject I ought to notice the attempts so persistently made of late years to blame the working people themselves, as the chief authors of their own miseries. I have read Dr. Smiles' work on *Thrift* and other books of the same kind, written probably with good intention, but, in fact, very misleading; and, I am disposed to think, rather mischievous in tendency. In one entitled *Protection and Bad Times*, published in 1879, I find this passage:—'The coal-miner indeed will do all in his power to raise wages, but when he spends half of his week's earnings in champagne, he will never own that he is himself lowering his wages by one half.' To me this reads like an extravagance of statement meant to be regarded as ludicrous. I have had an intimate personal connexion with the working people of England for over half a century; my intercourse with them has been constant and familiar. Their follies and extravagances are not unknown to me; but I am bound to say that, making fair allow-

ance for them as for the members of the other classes of society, it has always struck me that their virtues in self-denying economies far outweigh their follies and extravagances. I have also had special acquaintance with the miners of the kingdom for at least twenty years. I moved a good deal among them when wages were at the highest and their extravagance, I presume, at the worst; when, as is stated, they were spending their earnings on champagne, ducks and green peas out of season, and treating their bull-dogs to the best-cuts from legs of mutton; and I feel bound to say that I never saw any of these things, nor anything that indicated to me their existence even in the slightest degree. I have read of them in books and newspapers, and have heard the miners talk about them and laugh at them, but up to the present moment I have been compelled to regard them as simply untruthful. I am prepared to say that the poverty of the people is mainly due to the lowness of their wages, and the uncertainty of their employment. When I say this I am not thinking of a model population free from every desire to touch what they cannot afford; and who gather to themselves, and carefully hoard the smallest trifle they can lay their hands on, remembering that—

‘ A penny saved is twopence clear,
A pin a day, a groat a year.’

I speak of the people as we have them and as we must deal with them; the human creatures we meet in our streets, and who swarm in our mines, factories, and workshops; whose wages are not sufficient to keep decent lives in their bodies; who are everywhere discontented, not because others tell them they ought to be so, but because they feel it impossible to be content with painfully inequitable conditions of industrial and social life. What is said here does not apply to our better paid classes of artisans, but to the multitudes who swarm in all our large towns; whose employment is uncertain, and whose wages are low; and who in their feeblest and worst condition required in England, in the year 1883, no less a sum, as supplementary to wages, than 8,353,292*l.*, as against the sum of 690,000*l.*, stated by Mr. Senior as the average in England of the three

years ending 1750. About the general condition of large numbers of the workers of Great Britain, whatever supposititious figures may say, there can be no question. Nor can there be any doubt of the enormously increased wealth of the middle and higher classes. Mulhall tells us that in 1806 the income of Great Britain was 170,000,000*l.*; while in 1882 it was 1,247,000,000*l.* Kolb, quoting Leone Levi, states that our national property at the commencement of the present century was 1,800,000,000*l.*, whilst in 1860 it had increased to 6,000,000,000*l.* When, however, Mr. Giffen published his *Essays in Finance*, in 1880, he computed the national wealth at 8,500,000,000*l.*

The position is this :—The productive power of the country is in the hands of a small class. The distributive business is also in the hands of a class, and the profits realised in production and distribution belong to these. Wages can scarcely be regarded as more than an element of cost in production. The money carried into the houses of working-men to feed, clothe, and shelter the present and rising generations of workers is for the wants of the day, and adds little annually to the increasing capital of the country. It is really difficult to ask seriously whether the increase of the products of industry within the last hundred years has tended most to the benefit of capitalists and employers, or to the benefit of the working classes. Why lose time in calculating the pennies spent by working-men for food, drink, clothing, and rent, instead of going to the accumulated property of the country, and telling us how much of it belongs to the working classes as compared with what belongs to the middle and upper classes?—their possessions in land and houses, in railways and our merchant navy, in British and Foreign loans and stocks; in mines, factories, iron-works, and other tangible forms of national wealth. If the workers have been participators in any fair degree in the growth of the country's wealth, this would be a better way to get at the fact than through assumed detail in receipts and expenditure utterly impossible of proof.¹

¹ The *Spectator*, in 1873 and in 1883, published two lists of all British fortunes exceeding a quarter of a million personalty, which had been trans-

In the books and papers of statisticians I find a very remarkable improvement in the income and condition of the working classes. On a large general subject like this, including such varied multiplicity of detail (on which, among statisticians, there is no common agreement, beyond what there might be on any general question among any number of people), the safest way is to listen to the almost universal complaints made as to the poverty and suffering to be seen everywhere around us; to note what our parliamentary inquiries on such questions as the dwellings of the poor bring out, to note also the great increase in the annual amount of our poor rates; to comprehend, if possible, the large amount of money given annually in private charity, and also that spent every year in support of benevolent institutions; to consider, in addition, the deep discontent of the masses of our working people heard on every side; and then ask ourselves whether the existence of such a state of things is not as startling as it is dangerous, in connexion with a growth of productive power in the country almost incomprehensible by its vastness. Whatever the situation, as regards its anomalies and dangers, it is certain that the action of trade societies cannot fundamentally alter it. They can, at certain times, insist on adjustments more in accordance with equity than if all resistance to the action of employers were removed. The competitions of the markets, stimulated by our enormous and ever increasing power of supply in every kind of commodity, and the competitions stimulated among the workers by hunger during panics and crises, and strivings by employing competitors for cheapness, could not fail to produce a most disastrous condition of things for all who live by their labour. It would be a mistake in the general recognition of the evils of

ferred by death within the preceding twenty years. The result was as follows :—

Persons above a million sterling	23
Persons above half a million	109
Persons above quarter of a million	356

If persons possessed of over a hundred thousand sterling had been added, these numbers would have been vastly increased. Those who died worth even a hundred thousand before the middle of last century, could they be discovered, would not be many.

the prevailing system of competitive wages to suppose that the working people had no conception of remedy but what lies in the action of the trades unions of the country. The co-operators, as a rule, belong to the working class, and in the co-operative body there are large numbers of trades unionists. The co-operative organisation includes about two and a half millions of the most thoughtful and provident of the British people. They have removed the disadvantages attending the ordinary distributive system by a plan of their own; and this in a limited way is now placing in their hands something over two millions sterling a year as profit. They have made this profit because they have found the way to use their own capital, made fruitful by their own consumption, for the carrying on of their own distributive business. They entertain like views in reference to productive industry. They have, so far as they have gone, got possession of the implements of distribution; and as they find their own capital, the profits of their business belong to them. They have carried this idea to a certain extent into the work of production, and with such results that they become day by day more convinced that, as time passes and experience increases, and a knowledge of the best principle on which to struggle for success becomes developed among the general body of their members, success will be found as practicable in production as in distribution.

In concluding this paper, however, it may be said that our working people are not progressing in comfort and independence commensurately with the increase of the nation's productive powers, nor with its actual growth of wealth. No calculating power possessed by the statisticians will convince them of this. Their trades unions will therefore continue to be maintained and their co-operative experimentings will go forward. The attitude of these two great bodies is not one of defiance and aggression, of violence and spoliation. They are men of peace seeking by their own efforts legally to bring a higher equity into the business of life. Some idea of the growth of wealth in the country may be formed by noting the increase of the nation's capitalised wealth during the present century, and the income annually derived from it,—fully confirmed by the evidences of

wealth to be seen on all hands, as well as by the records of the Probate Court. The poverty in the country, as felt by the poorest of our working people, needs no proof; and it is our duty to recognise and remedy it, rather than to disguise or deny it. We should frankly acknowledge that as a nation we have not succeeded in distributing equitably the wealth that has come to us so abundantly, and that instead of seeking honestly to correct so dangerous a failure, we have sought to justify the blunders of ignorance by scientific pretences, and by charging the sufferers with causing their own miseries by wanton and reckless extravagance. It ought to be a matter of congratulation to those who possess and exercise power in these islands to know that the two great influencing organisations of workers—the trades unionists and co-operators—instead of being discontented conspirators, are acting openly in the light of day; the one to peaceably secure some degree of equitable treatment for labour; the other to so alter the relation of capital and labour as to permanently secure justice for all interests, and as a consequence the future peace and well-being of the country.

*Rates of Wages paid by the Dundee Harbour Trustees
during the last Twenty-five years.*

BY DAVID CUNNINGHAM, M.Inst.C.E., F.S.S.

THE Table on following page showing the rates of wages paid to the workmen at Dundee Harbour from 1859 to 1884, indicates some interesting facts with reference to the condition of workmen in this part of the country during the last twenty-five years.

The rates of wages stated may be regarded as a fair index of the local rates of wages in Dundee generally, the former being closely regulated by the latter.

The rates are well authenticated, having been extracted from the wages books of the Dundee Harbour Trust for the months of June, July, and August of each specified year.

From this table it may be observed that the wages of workmen generally have increased from 60 to 80 per cent. in

TABLE SHOWING THE RATES OF WAGES PAID TO WORKMEN EMPLOYED AT DUNDEE HARBOUR,
FROM 1859 TO 1884.

Being averaged from the Pay-Bills of June, July, and August of each year.

Years	Joiners			Carpenters			Blacksmiths			Masons			Causeway layers			Labourers		
	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men
1859	4	19 0	2	3½	16 7½	4	3½	18 5	1	4½	21 4½	2	3½	18 0	1	2½	18 1	20
1861	4½	19 7	4	4½	19 3½	11	4½	20 6	2	4½	23 2	26	3½	17 2½	2	3½	14 5	230
1863	4½	20 2½	2	4½	22 7	4	4½	21 4½	1	5½	25 6	2	3½	18 7½	1	3½	14 5	56
1865	4½	20 9	6	4½	22 7	8	4½	22 7	2	6	28 6	7	4½	20 6	1	3½	16 0	100
1867	4½	22 7	2	4½	22 7	7	4½	23 5½	2	6½	30 8	4	4½	22 0	1	3½	16 4	86
1869	4½	20 2	4	4½	20 2	3	5	21 3	2	6	25 6	10	4½	20 2	1	3½	16 4	60
1871	4½	20 2	5	5	21 8	9	5	21 8	3	6	25 6	3	—	—	—	3½	17 6	71
1873	6½	26 0	5	6½	27 1	5	6½	27 1	3	7	29 9	2	—	—	—	4½	22 2	76
1875	7½	31 10½	7	6½	29 2½	11	6½	27 1	3	9	38 3	5	—	—	—	5	23 4	102
1877	7	29 9	6	6½	27 7½	6	6½	28 2	3	9	38 3	6	8	34 0	2	5	23 4	51
1879	6½	27 7	8	6½	27 7	14	6	27 0	5	6½	29 3	10	7	31 6	3	4½	21 0	142
1881	6½	30 4½	4	6½	29 8	12	6½	29 8	3	6½	27 7½	8	7	29 9	3	4½	21 0	77
1883	7	31 6	5	7½	33 2	21	6½	30 11	4	7½	31 10½	6	7	29 9	5	4½	21 0	99
1884	6½	30 5	6	7	31 6	14	6½	29 10	4	7½	31 10½	5	7½	30 5	6	4½	21 0	110

Years	Sawyers			Painters			Riveters			Fitters			Plumbers			Horses			Metal breakers	Calculated average rate per tradesman.
	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per man per week	No. of men	Rate per hour	Rate per horse per week	No. of horses	Rate per cube yard	
1859	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1861	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1863	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1865	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1867	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1869	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1871	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1873	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1875	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1876	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1877	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1879	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1881	6½	29 0	2	7½	32 1	2	7	31 6	8	6½	28 8	2	6	32 0	1	11½	53 8	3	2 0	6 82
1883	6½	29 0	2	6½	30 4½	3	7½	32 9	2	7½	32 1	8	7	32 8	1	11½	54 10	5	2 8	7 03
1884	6½	29 0	2	6½	30 4½	4	7	31 6	2	6½	30 11	4	7	32 8	1	11½	54 10	5	2 3	6 96

twenty-five years. But to understand whether this increase in the rates of wages has been real or only nominal (as might be the case if the value of the precious metals had become depreciated), it is imperative to consider whether the necessaries of life have increased or diminished in price.

On inquiry we find that the prices of the higher class commodities, such as butcher's meat and eggs, appear to have risen from 10 to 40 per cent. The prices of the more immediate necessaries of life, such as bread and butter, appear now to average when taken together the same as they were in 1859, while tea, sugar, soap, treacle, syrup, and marmalade, average now only half the prices of 1859. Rents appear to have increased about 50 per cent., but a large proportion of this increase is doubtless due to improved accommodation, and to the introduction of water.

The rates of tradesmen generally are seen from the table to have increased by 80 per cent., and the rates of labourers by 60 per cent., over the rates twenty-five years ago; and within this period (from 1875 to 1877) masons, joiners, and labourers were paid better wages than at present, and therefore found their condition more rapidly improved than even these percentages indicate.

These extraordinary rates of increase are certainly not attributable in any material degree, to an increased cost of living, for the principal necessaries of life, as represented by bread, are no dearer now than they were twenty-five years ago. Superior articles of consumption, such as eggs and meat of home growth, have indeed risen considerably in price, but their place is now largely occupied by imported food in tins, of which upwards of one million pounds weight are consumed in Dundee every year. Taking this into account, and the fact that the class of home meat chiefly consumed by the working classes has risen 15 per cent. in price only, it is probable that the average price of meat as consumed by the working classes is no greater now than at the commencement of the period. And as we have seen a large miscellaneous group of articles have greatly fallen in price, it may fairly be assumed that the necessaries of life are no dearer now than they were twenty-five years ago.

To what, then, is such an unprecedented rise in the wages of labour attributable? We answer, it must be owing largely to the greater relative demand for the services of the workman; that is to say, that the number of men required to perform certain operations must have diminished relatively to the work to be done. But the number of men in the country has, notwithstanding emigration, increased considerably. The introduction of labour-saving machines would have the effect of rendering the work performed by such increased workmen still more prolific, so that, in ordinary course, the work done would be much more than before. To cause, then, such an exceptional demand for labour, and a resulting rise in the rates of wages of so extraordinary a character, there must have existed a very extraordinary increase in demand for the commodities or articles produced.

This unprecedented demand could, however, have been rendered possible only by the enormously increased facilities of communication which have taken place between all parts of the commercial world within the last twenty-five years, whereby the market of Great Britain has been extended largely and with great rapidity.

Great Britain has, in most important aspects, occupied during this period a position of vantage over almost every other country in the world. She possessed large stocks of coal and iron, and these have been drawn upon without stint. The most recent calculation which has been made of the time in which our stock of coal will last at the present annually increasing rate of consumption—namely, that by Mr. Sydney Lupton—shows that it would become exhausted to a depth of 4,000 feet in 106 years from the present time. This theoretical calculation will serve very well to give us some idea of how our exceptionally improving times have arisen. At no part of the country are we far removed from the coast, and by means of the sea, and by the adoption of Free Trade, we have not been very far removed from any other country; for the introduction of steam and of large vessels has practically shortened our former ocean-distances immensely. We have, therefore, with perhaps the exception of Belgium, been alone in reaping the firstfruits

of modern international communications. We have been able to sell our manufactures to every country which would take them, at a much cheaper rate than such countries could make them for themselves. A demand quite unprecedented has thus grown upon us, and all who have been connected with our industrial employments have reaped the benefits.

It is impossible that this rate of rapid improvement can last, for as the raw materials become, as they must do in a few generations, somewhat more difficult to realise, so must the relative advantages of our manufacturing industry gradually disappear. The ability to purchase foreign food will then diminish, and the soil of Great Britain will be unable to maintain a population constantly increasing in numbers as at present; and it may even be that ultimately the pressure may become so great as to necessitate an abnormal emigration, so as thereby to reduce the population below its maximum.

APPENDIX.

NOTE AS TO WAGES IN THE PRINTING TRADE, DUNDEE, FOR 52 YEARS, FROM 1833 TO 1884.

	Per week		Per week
From 1833 to 1838, Newspapers	16s.	— Book and Jobbing	16s.
„ 1838 to 1854, „	20s.	— „	20s.
„ 1854 to 1859, „	22s.	— „	22s.
„ 1859 to 1870, „	25s. 0d. to 35s.—	„	22s.
„ 1870 to 1872, „	25s. 0d. to 35s.—	„	24s.
„ 1872 to 1876, „	25s. 0d. to 40s.—	„	25s.
„ 1876 to 1884, „	32s. 6d. to 42s.—	„	26s.

Newspapers are now almost entirely 'set up' by piece-work, but although the figures given represent what is termed 'stab.' wages, they may be accepted as the earnings of piece-workers as well.

In the Jobbing Department, 26s. is given as the minimum wage; only a very limited number are now paid at that rate. The wages generally paid vary from 26s. to 35s. for journeymen.

A very considerable reduction in the number of working hours per week has taken place during the period from 1833 to 1884.

From 1833 to 1859 the working hours per week were *not less* than 60; from 1859 to 1872, 57 hours; from 1872 till the present time the hours have been 51 per week. This statement applies only to Dundee.

NOTE AS TO THE HOURS PER WEEK BROUGHT BY THE WORKMEN
EMPLOYED BY THE DUNDEE HARBOUR TRUSTEES.

The hours per week of both tradesmen and labourers up to and including the year 1867 were 57. From 1869 to and including 1877, tradesmen wrought 51 hours per week ; labourers 56 hours per week.

Masons and causeway layers wrought 54 hours per week till 1879, and 51 hours thereafter. Other tradesmen have wrought up to the present time 54 hours per week, and labourers 56 hours.

NOTE AS TO THE SAVINGS OF THE WORKING CLASSES IN DUNDEE.

The statistics of the Dundee Savings Bank show that the total deposits at the end of 1876 were 447,080*l.*, and at the end of 1884 they were 739,483*l.*, showing an increase of 290,000*l.* in eight years ; and I have been informed by the accountant and cashier of that bank that on an average eleven-twelfths of the depositors belong to the working classes.

NOTE AS TO THE POPULATION OF DUNDEE.

In 1821	the population	numbered	30,575.
„ 1831	„	„	45,355.
„ 1841	„	„	62,794.
„ 1851	„	„	78,931.
„ 1861	„	„	91,664.
„ 1871	„	„	120,724.
„ 1881	„	„	142,454.

In 1884 the population is reckoned to number about five times as many persons as in 1821, and this extraordinary increase must be largely due to the relatively high rates of wages offered to workpeople engaged in the town, whereby they have been drafted in vast numbers from the country. *See also additional note on p. 514.*

Labour and its Reward.

BY J. G. HUTCHINSON.

THAT there has never been any age when labour, the work of the world, has not engaged the attention of statesmen and philosophers in most civilised nations, is made plentifully apparent by the aphorisms, or mottoes, handed down to us from by-gone times. *Labor omnia vincit.* Labour conquers everything. If labour conquers everything, what must be said of

the voice of all labour, the labourer? Is he invincible? Has he never been conquered? Has he always, or ever, been able to bring the world to his feet? Has he never known the thrall of slavery? He would be a bold man who ventured to answer the first of these questions in the affirmative, or the last in the negative. *Labor ipse voluptas*. Labour itself is pleasure. Labour is sacred, &c., &c. Even in our own times, in this eminently practical age, we often hear and read of the dignity of labour; indeed, many worthy people who have never done a hard day's work in their lives, are particularly fond of using this formula. But work, the day after day spent wearily tugging at the oar, the routine work involved in our minute systems of division of labour, is, taken and considered apart from its reward, certainly far more irksome than dignified.

In a consideration of the labour question at the present time, it will be well to disabuse our minds of a great deal of the sentiment that appertains to it. We must cease to remember that there was ever a time when an employer lived among his workpeople; when he took a kindly interest in their welfare; and that, when declining years incapacitated them from labour, his helping hand would smooth their downward path. We cannot forget, if we would, that we live in an age when a man is looked upon as a mere machine, from which the greatest possible amount of work is to be exacted; with this difference in favour of the machine, that some regard will be paid to its wearing out, while with the man this is not so; he falls out of the ranks of life, and instantly his place is filled by another; another, whose form and features are, as likely as not, equally well known to his employer. Although we deplore the seeming antagonism, or conflict of interests, between employer and employed, we do not think it would be possible under the prevailing system of aggregation of labour in large factories and workshops—and, of course, in no other way can we maintain our place in the manufactures of the world—to keep up the kindly relations that were so marked a feature of the domestic system. In instituting an inquiry into the specific question as to whether 'the increase of the products of industry within the last hundred years has tended most to the benefit of

capitalists and employers, or to that of the working whether artisans, labourers, or others, and in what relative proportion in any given period?' it will be necessary, in order to keep within the prescribed limit, to narrow the question down somewhat. We shall not, therefore, do more than glance briefly at the social advantages the workman of to-day has at his command, that were entirely beyond the reach of his compeers in the earlier years of the present century. We have now the means placed in our hands for securing a cheap and efficient education for our children. We have classes and lectures for the instruction and edification of ourselves, and the adult members of our families. We have the free libraries and museums common to most of our large towns. We have, in a large measure, better dwellings, situated in more airy, better drained, and better lighted streets. And we have, as a *ne plus ultra* to these consummate advantages, higher rents, higher rates, and a considerably less amount of personal freedom than our fathers fifty years ago could boast of. This curtailment of our individual liberty seems to us to be a necessary concomitant of our advanced civilisation. Man does not now live for himself alone. Man's communion with man has fostered and developed a regard for each other's interests to this degree, that his individuality is, almost unconsciously, lost in the common good. Nor shall we examine in detail, although it is a radical part of our inquiry, the arguments as to whether the introduction of machinery into the various industries have, or have not, been an unmitigated good. We are of opinion that the benefits derived therefrom by the whole community have far outweighed any hardship or inconvenience its introduction has inflicted on any particular trade. Without the spinning-frame and powerloom it would have been practically impossible for our textile trades to have made the immense increase in their productive power that the present century has witnessed. Without the invention of the labour-saving and labour-supplementing machinery used in the conversion of iron and steel, our industries in the metal trades could never have attained their present gigantic proportions. As to whether the universal use of machinery has most benefited the capitalist and employer or

the working classes, is a moot point; but in so far as the advantages have been reciprocal, we think neither side have much fault to find. As far as we can apportion the benefits, the employer who was first in the field with his invention—whether it was the product of his own ingenuity or not is immaterial—would reap his reward in an extended market for his manufactures if he sold them, as he could, at a rather lower rate, or otherwise, if at the market price, in an increased profit. But as soon as the use of the machine became general, his monopoly with its enhanced profit would disappear, and the invention become merged in the common good to benefit the consumer. We are in nowise inclined to believe that the introduction of machinery has, to any great extent, militated against the interests of the working man. On the contrary, he has been enabled—with some exceptions that prove the rule—to maintain almost as good, and in some special instances, a better rate of wages than under the old system of hand labour; while the prices of the products of his industry have been lowered to such a degree as to bring them more readily within the purchasing power of himself and family. There is one phase of this question that is, to my mind, disappointing in the extreme. Instead of man's labour being made easier by the co-operation of the machine, his life has become more intense, and, in many instances, the man has been supplanted altogether by what should have been at most but his helpmate. Still, this is more the effect of our system of unlimited competition than an innate desire to crush man out of existence. The introduction of machinery as a means of increasing and cheapening production must certainly be acknowledged as the prime mover in the great industrial revolution that has been developed within the last hundred years. And although there have been cases of hardship in some trades—notably among the hand-loom weavers—the greater good has justified the infliction of the lesser evil, and the advent of the Age of Steam may be regarded as the inauguration of the greatest and most stable period of national prosperity we, here in England, have ever known.

As an illustration of the beneficial effects following the

application of improved machinery to cotton-spinning, I append the table below, from Porter's *Progress of the Nation*, sec. 2, chap. ii., p. 230.

Years	Work turned off by One Spinner Per Week		Wages Per Week			Hours of Work per Week	Prices from Greenwich Hospital Records		Quantities which a Week's Net Earnings would Purchase	
	Lbs.	Nos.	Gross	Piecers	Net		Flour per Sack	Flesh per lb.	Lbs. of Flour	Lbs. of Flesh
1804	12	180	s. d. 60 0	s. d. 27 6	s. d. 32 6	74	s. d. 83 0	d. 6 to 7	117	62½
"	9	200	67 6	31 0	36 6	74	83 0	6 to 7	12½	73
1814	18	180	72 0	27 6	44 6	74	70 6	8	175	67
"	13½	200	90 0	30 0	60 0	74	70 6	8	239	90
1833	22½	180	54 8	21 0	33 8	69	45 0	6	210	67
"	19	200	65 3	22 6	42 9	69	45 0	6	267	85

The sack of flour is taken at 280 lbs.

The above is the result of an average of several men's work at the different periods.

As a comparison I give the average earnings of cotton-spinners at Manchester in 1876, from Bevan's *Industrial Classes and Industrial Statistics*.

Year	Wages		Flour per Sack		Flesh per Lb.	Quantities which a Week's Net Earnings would Purchase	
	s.	d.	s.	d.	d.	Lbs. of Flour	Lbs. of Flesh
1876	28	4	43	4	10	182	34

From this it is evident that not only were a spinner's wages in 1833 higher than in 1876, but the purchasing power of his earnings was considerably in his favour also. We do not deem it necessary to multiply examples, but we will give below some additional evidence to show that the wages given for 1833 were not the highest for that time.

Mr. Cowell, in his explanatory preface to the *Tables relative to Cotton and Silk Mills in the Lancashire District*, gives the following example of the effect of increasing the size of the mules, as regards the cost of the yarn, and the earnings of the spinner.

In the year 1833, in two fine spinning-mills at Manchester, while

I was in the town, a spinner could produce sixteen pounds of yarn, of the fineness of 200 hanks to the pound, from mules of the productive fertility of 300 to 324, working them sixty-nine hours. These very mules were being replaced by others of double power while I was in Manchester. Let us examine the effect on the spinner's earnings. In the early part of last year he produced sixteen pounds of yarn of No. 200 from mules of the power of 300 to 324 spindles. Consulting the list of prices, I perceive that in May he was paid 3s. 6d. a pound. This gives 54s. for his gross receipts, out of which he had to pay (I will put the amount high) 13s. for assistants. This leaves him with 41s. earnings. His mules have their productive fertility doubled. They are converted into mules of the power of 648. He is now paid 2s. 5d. a pound instead of 3s. 6d. But he produces thirty-two pounds of yarn of the fineness of 200 hanks to the pound in sixty-nine hours. His gross receipts are immediately raised to 77s. 4d. I will now admit that he requires five assistants to help him, and averaging their cost at 5s. a piece, their labour will cost him 25s., and to avoid all cavil, I will add 2s. extra. Then, deducting 27s. from his gross earnings, there remains 50s. 4d. for his net wages for sixty-nine hours' work instead of 41s., an increase of more than 20 per cent., while the cost of the yarn is reduced 13d. per pound.¹ See Appendix, p. 61.

If we will but contrast his earnings in 1876—taking into account the productive power of the mule of the present day—we shall be better satisfied that the cotton-spinner in 1833 was considerably in advance of his fellow-worker at the present period. We have been enabled, from various sources, to compile the following comparisons of wages in different industries. Our authorities are Porter's *Progress of the Nation*, Mr. Jellinger Symonds' *Arts and Artisans at Home and Abroad*, published in 1839, J. Wade's *History of the Middle and Working Classes*, *The Greenwich Hospital Records*, and Bevan's *Industrial Classes and Industrial Statistics*.

As will be seen from table on next page,² the difference in the rates of wages is nothing like so marked as we have been given

¹ Porter's *Progress of the Nation*, sec. 2, ch. ii., pp. 234-5.

² Since compiling this table of wages, there has been published in the *Leeds Mercury*, for January 2, 1885, the following advertisement:—'Stonemasons wanted.—Apply, J. Braymore, Cross Mill Street, Leeds. Wages 22s. per week.' This advertisement, as a sign of the times, needs no comment from me. But surely this benefactor of his species deserves to be immortalised.

COMPARISONS OF WAGES.

	1832	1871	1876
	s. d.	s. d.	s. d.
Cotton-spinners, Porter . . .	38 2	—	Bevan 28 4
" weavers, Symonds . . .	14 6	—	—
Woollen-spinners " . . .	21 0	Bevan 19 0	" 28 0
" weavers " . . .	14 0	" 13 0	" 17 0
" dressers, Wade . . .	21 0	" 20 10	" 23 6
Flax, men, Porter . . .	16 7 $\frac{1}{2}$	" 19 9	—
" women " . . .	8 2 $\frac{3}{4}$	" 13 0	—
Coal-miners, Symonds (per day)	3 6	" 4 9	" 5 2
Ironfounders " . . .	29 0	" 34 0	—
Machine-makers " . . .	28 0	" 30 0	—
Carpenters, Greenwich . . .	32 6	—	39 8
" country average . . .	22 6	—	27 0
Masons, Greenwich . . .	31 6	—	39 8
" country average . . .	24 9	—	29 0
Bricklayers, Greenwich . . .	28 6	—	—
" country average . . .	24 0	—	29 0

to understand they were. And it seems to me the Golden Age of labour within the last hundred years—taking into consideration the rates of wages, the continuity of employment, and the cost of the various necessaries of life—must be placed between the years 1832 and 1840; not only with regard to the money amount of wages and their purchasing power, but also with reference to the fact that a man was a man at that time, and had not become degraded to the office of a mere machine, to be turned off or on at the unreasoning caprice of an employer.¹

But we are not so much concerned with a retrospective review and comparison of the workman's status fifty years ago with that of our own time, as we are with his present position and future prospects. Whatever has been his condition in past times, and there will always be differences of opinion so long

¹ In talking over this question with an old mason who has followed his trade for over fifty years, we were told that when the Leeds and Thirsk Railway was being made, mason's wages were 5s. per day, that at that time prime cuts of beef and mutton were but from 4 $\frac{1}{2}$ d. to 5 $\frac{1}{2}$ d. per lb., that fresh eggs were to be had from the farmers at the rate of 36 for a shilling, that house rents were not half the amount they are now, that coals were no more than 10s. per ton delivered, and that generally life, if somewhat rough, was certainly blest with more rude plenty than obtains at the present day. The general verdict we have received from our old workmen friends has been that although wages were less fifty years since than now, the people, taken in the mass, were better off than they are at the present time.

as there are two sides to the question, all must admit that there is room for improvement now in the social, and still more in the material, position of the labouring classes.

Let us then endeavour to answer the question, What are the causes that induce the recurring periods of depression in trade and consequent scarcity of employment, that have become so marked a feature of our industrial history during the last few years? First and foremost, we must place the inordinate greed and unscrupulousness of our capitalists and employers in the mad race for wealth. In the inflated time following the Franco-German war, the means of production in Great Britain were increased to a degree that nothing but the certainty of continuing to be the workshop of the world would have justified. Capital that, in the normal state of things, would have been applied to legitimate undertakings, was, in the vain hope of realising not far from cent. per cent., eagerly invested in what too often proved to be bogus enterprises, promoted by needy and unconscionable speculators. Money was wasted, credit was impaired, and in many instances financial ruin followed, to the detriment of sober and legitimate enterprise. True, the workman was not slow in his demand for a share in the unusual prosperity. And we are of opinion that it is in a measure to the large advance in the wages of certain classes of labour obtained at this period, engendering as they did increased expenditure in baneful luxuries, we may ascribe some portion of the distress at present existing. But we can hardly blame the uneducated workman if he 'lost his head' at this juncture, when we remember his betters were little, if any, wiser in their day and generation. If mutual recrimination were likely to do any good, the British workman and his employer ought to be considerably benefited by the lecturing they have given each other on this point, as well as that they have undergone from every grade of social opinion during the last decade.

The reasons generally given, and accepted as truisms, for depressions in trade are over production, foreign competition, and adverse seasons. Let us briefly examine these excuses for what we consider, at least as far as the first reason is concerned, has no need or business to exist. Over-production, indeed! We

are extremely anxious to know what article of natural or artificial production it is of which we have an overplus? It cannot be wheat, for surely if that was so we should have no hungry, dinnerless children, half-famished for want of bread; no homes stripped of their scant furniture, to win a short respite from the dread wolf of want; no half-stifled cries of distress from starving thousands, whose only hope and want is honest work and wages. It cannot be that we have too much clothing, for we are satisfied, if we will but look around, on every hand we shall find that there is ample need for all we have in store. Nor can we think that, for all the thousand pairs of shoes we have in excess of the demand, there are no feet the owners whereof would not be glad to wear them. We confess that this cry of over production is wholly beyond our comprehension. We cannot conceive that there can be over production in any commodity until each and all, rich and poor, have had their wants supplied. Nor is it that we have not in our midst the wherewithal to purchase these necessaries. For there is not only a plethora of all natural and manufactured commodities, but an ever-increasing amount—a positive glut—of wealth literally going a-begging, while honest working-men and women are actually perishing from lack of the common necessaries of life. Why is it, then, that in the face of this superabundance of the good things of this world we have depressions in trade, with their corresponding reverses in the condition of the working classes? We are of opinion the real reason is because the workman does not get an adequate or even a fair share of the profits of his labour. We submit that it is not possible for a man, whose every endeavour is to keep straight with the world, to contribute his share towards the general well-being, when the means at his command will barely admit of a sufficiency of food for himself and family. Even under the most favourable circumstances the average workman has, so to speak, his wages mortgaged, if not before they are earned, at least before they come into his possession. It may be said this arises from want of forethought, from want of economy: we unhesitatingly declare, in the vast majority of cases, it has its source in want of means. In support of our assertion that the workman is not paid a fair

share of the proceeds of his industry, we give the following calculation of Mr. Giffen's: 'An approximate estimate has been made of the total savings of the working classes. Their amount has been carefully calculated from the statistics of Building Societies, Savings Banks, Co-operative Societies, Trades Unions, Friendly Societies, and Industrial and Provident Societies, to be 130,000,000*l.* All this is small compared with the whole capital of the country, which in 1875 was estimated at 8,500,000,000*l.* at least, with an annual increase of 235,000,000*l.*, *this latter sum far exceeding the total savings of the working classes.*'¹

We have no wish to pose as prophets, but we are satisfied that the old doctrine that a man should rest content in the position in which it has pleased God to place him, must, if it has not already, go to the wall. The old political economy that decrees that labour is a commodity that must, equally with the products of labour, be ruled by supply and demand; the old political economy that ordains that the wages of labour will, in the normal order of things, be determined by the terms on which the labourer will consent to produce, and will constantly tend to a bare level of subsistence—this doctrine, that has been a palliative to suave the consciences of our capitalists and employers, must be abandoned as being out of date, and not in accordance with our new religion of humanity. Man's labour as the support of his life cannot, in common fairness, be placed on a par with a bale of cloth. If the man were as inert as the bale of cloth, if he had no requirements, if he did not need to live, to be clothed and housed, then their positions might be identical. But so long as the man has human aspirations, so long as he is able to discriminate between right and wrong, it is not only unjust, it is cruel, to place his labour as a commodity in juxtaposition with that of an inanimate article, to be ruled by the inexorable law of supply and demand. Besides, man in his present position does not stand on equal ground with the capitalist in bargaining for employment; he cannot, in the great majority of cases, 'take it or leave it,' as he is told to do. No; the work must be his at one price or another, and

¹ Giffen's *Essays on Finance*, pp. 173-5. The italics are mine

often, too often, the man who has the giant's power uses it as a giant.

With regard to foreign competition, we have long been of opinion that we could not continue supplying our foreign competitors with machines to make machinery, for the production of all manner of goods, and still go on supplying them with our finished products as well. We cannot find fault with our engineers and machinists for their action in this matter. For, if we have had some importations of goods that we might have made for ourselves, we should remember that we in return have supplied our foreign customers with goods that, had they been selfishly inclined, they would have manufactured for themselves. And further, we are of opinion that, unless we can find a market where the buyers are composed wholly of the capitalist class and its dependents—that is, a community who are not producers in any sense of the word, but only consumers—this bugbear of foreign competition must be considered as a constant factor in our trade calculations, which it will be well to look upon and combat in a spirit of generous emulation rather than of a jealous over-reaching rivalry in trade.

Adverse seasons have certainly during the course of the last few years dealt a heavy blow at our agricultural interests, and through them at our home trade—a trade which is admitted to be our surest bulwark against a deficiency of labour, a trade that would, if the profits of our industries were more justly distributed, go a long way towards providing our teeming millions with the work and wages for want of which they starve.

There only remains now for us to pass in rapid review the different remedies that have been proposed for the social and material amelioration of the condition of the poorer classes. Mr. George, whose book, *Progress and Poverty*, has done more than aught besides towards making this a burning question, would confiscate—utterly unconscious of doing wrong—the whole land of the country, and place it under State ownership and management. The leading assumption that permeates Mr. George's book, and which he has laboured with intense earnestness to demonstrate and substantiate, is that the in-

stitution of private property in land is the immediate cause of the unequal distribution of wealth and privilege, and obviously of the consequent vice and misery, which is at once the greatest curse and menace of our nineteenth century civilisation. To remedy this injustice he boldly and unhesitatingly declares we must make land common property. This wholesale appropriation he would make without compensation or regard to interests or rights, however acquired by the present landowners. He argues that we must give to man the unrestricted liberty to develop to its fullest power the natural resources of the land—that is, that the land shall be so cultivated as to contribute its full quota to the requirements of the whole community. His particular belief is, give but man these opportunities—and he has been deprived of them by the institution of private property in land—and the poverty that pervades all societies that have attained a superior degree of civilisation will disappear, that want or the fear of want will be extirpated, that the Promised Land flowing with milk and honey will be within measurable distance of being reached, and that the beatification of man's condition will cease to be an *ignis fatuus*, ever alluring philosophers and philanthropists into impracticable fields of thought, but an established fact. But whatever possibilities there may be in Mr. George's scheme of land nationalisation, we cannot forget that it is based on injustice. Nor does the fact of a robbery being committed eight centuries ago palliate in our eyes the perpetration of further wrong-doing; for, however wrong the institution of private property in land may have been in its original inception, it would, after the lapse of centuries of undisputed possession, be a 'bold, bare, enormous wrong' to deprive the vast majority of the present holders of their vested or purchased interests in the land, whether they are the humble possessors of a single house plot, or patriarchal lords who own the broad acres of a shire. Mr. Wallace's plan is less open to objection, inasmuch as he recognises the right of the landowners to compensation. But any scheme of land nationalisation seems to me to depend upon the issue of this question for its success. Will the State be likely to make a better or more considerate landlord than the present owners? We

submit that it would not, and for the following reasons: unless the State has it in its power to abolish competition rents, and this in justice to the very numerous class who are not tillers of the soil or holders of ground rents it should not have, where would be the advantage in paying a competition rent to the State over that of paying it to a private owner? Then, again, supposing the State should fix upon what would be considered a fair rent, who is to decide from among the host of applicants which competitor shall have the land at this fixed value? It seems to me that any scheme of land nationalisation is open to this fatal objection; we should but throw wide open the door to a gigantic and most pernicious system of favouritism and patronage, if not of underhand bribery. Besides, all our landlords are not bad alike, and under the present system there has been occasional aid rendered, not in the pauperising form of a dole given on the rent day, but real help towards making the most of the productive power of the land which the State, as a landlord, in common fairness to the community at large, must have withheld. With reference to co-operative production, we cannot see any valid reason why our co-operative distributive societies with their large capitals should be unable to carry out productive co-operation to success. Yet such would seem to be the case; for among many concerns started under their auspices, most of them—at least in this part of the country—have come to grief. We understand the reason generally given for this failure is that co-operative societies outside do not do business with and support their efforts. This would seem to indicate that there is a screw loose somewhere; for unless co-operative, or any other form of industrial production, can compete with private enterprise in the open market, there is nothing so certain but that in the end it must succumb to this superior force. Industrial partnership is another form of amalgamation of the interests of capital and labour that, we are grieved to chronicle, has not been crowned with the success it deserves. The fact is the workman has not become educated so far as to see that under this form of production his and his employer's interests are identical. Profit-sharing without loss-sharing would seem to imply a greater regard for an employer's

interests than most employés can be credited with. Emigration, 'the policy of despair,' we cannot consider a true remedy; for, in the majority of cases, the people who of their own free will expatriate themselves are the people we should keep at home—men with brains, energy, and often some little capital, who, had they a fair field for their qualifications, would never quit their native land.

In drawing our observations towards a close, we will again urge on capitalists and employers to give their workpeople a more commensurate share in the profits of their labour. That they can do this, and still retain a living profit, we will try to illustrate from our own business. We will take the case of an employer in the building trade. We will suppose him to be in a large way of business, employing a hundred hands. He has his workshop fitted up with the most modern appliances for cheapening production, both in the saving of material and labour. He pays, or should pay, his workmen the standard wages of their calling, being neither more grasping nor avaricious than his fellows, but known among men as a straightforward and honourable man. Well, you may ask, what fault have we to find with this employer as a man or as a citizen? We must answer none whatever. But let us look a little further: As we have said, he pays the regular wages of his business; the workman's money is always ready and paid at the end of the week. He does not grind, or urge forward as with a goad, the worker. But he does appropriate to himself that for which he has not laboured in any sense of the word, that which is not his even by the political economist's law of interest. He bargains with his workmen for a standard payment of, we will say, $7\frac{1}{2}d.$ per hour, but the price he will charge and receive from the people for whom he has work in hand will be $9d.$ per hour, so that for every workman in his employ—the working hours being fifty per week—he will receive a profit on their labour of $6s. 3d.$ per week, or a total of $37l. 10s.$ Out of this sum we will suppose he has to pay a manager $3l.$ per week, $2l. 10s.$ for a foreman, $1l. 5s.$ for a time and storekeeper, and $2l.$ for a cashier. These men will manage the business in all its detail, from buying the raw

material to getting in the money for the finished work, so that this payment of 8*l.* 15*s.* for management and superintendence is absolutely the only drawback from the sum he will be paid for the use of his money, except rent, rates, and taxes, and an allowance for depreciation in his machinery and buildings. If we deduct the 8*l.* 15*s.* from the 37*l.* 10*s.* we have 28*l.* 15*s.* left; from this, as a very liberal estimate, we will allow the 8*l.* 15*s.* for rent, &c., leaving 20*l.* per week as interest for the capital invested in the business. In addition to this sum the capitalist will have a percentage of profit on the raw material, the timber, stone, &c., used in his business, which would help considerably to pay a fair interest on his capital, if it did not suffice entirely. As we have shown, this capitalist or employer, who like the lilies of the field 'toils not, neither does he spin,' has an income of 1,000*l.* per year from his business, or more correctly for the use of his capital. We ask, in the name of our common humanity, if it is not possible to pay better wages to workmen in such an instance as this? And this is, be it remembered, no exceptional case, requiring a large amount of capital for the working of the business, as moneys are paid at stated conditions of progress of the work, so that the capital may be turned over several times in the course of the year. We confess that we have not much hope of so great a change in the moral nature of our employers as a fairer division of profits would render necessary; but, if it does not come in our generation, what about our children, if this gospel of appropriation is to continue? We are educating them—and this education must go on, technical as well as scholastic—to occupy higher spheres of usefulness, mentally and socially, than we ourselves are fitted for. What is to be the outcome of it all? Is it to be a life of discontent, a continual struggle for a bare subsistence, with the wolf of want for ever prowling around their door—a wearying, wasting life of toil and care, with little more inspiring to look forward to than the workhouse as its goal? Far better will it be for us, as a nation, if we had 'a mill-stone tied about our neck, and were cast into the depths of the sea,' than that this should be so! For we ought not to forget this truism, that to keep men poor, degraded, and contented, we must keep them

brutish, sotted, and ignorant; and that, moreover, as surely as education—intellectual development—is stimulated and temperance principles spread over the land, so surely are we paving the way for a further grand march in our civilisation, and, as we would fondly hope and believe, in our material progression. Then let us recognise and deal honestly, faithfully, and manfully with this great power, for good or evil, that we are raising in our midst. For, whatever else the future may have in store for us, we may depend upon this, that the time is coming, and may not be far distant, when Jack will have found out he is as good as his master, that he is made of the same flesh and blood and in the same image, and with a lineage in as direct a line from the common Father of us all.

APPENDIX.

We are enabled through the courtesy of Miss A. Amy Bulley, of Manchester, to supplement our list of wages in the cotton manufacture, with the following complete and reliable statement of the actual earnings, compiled from the wages book, of cotton operatives employed in an Oldham spinning and weaving mill, in 1884 :—

AVERAGE EARNINGS FOR 56½ HOURS OF MILL HANDS, ENGAGED IN THE MANUFACTURE OF COTTON.

		<i>Spinning.</i>			
		£	s.	d.	Remarks.
Cotton mixer	. . . . .	1	2	0	} Men employed in the card and scutching rooms, paid weekly wages, <i>not</i> piece work.
"	. . . . .	1	0	0	
Fly gatherer	. . . . .		17	0	
Lap tenter	. . . . .	1	2	0	
Card-room jobbers	. . . . .	1	3	0	
Card-room hands (females)			16	0	Piece work.
Spinner or Minder	. . . . .	1	14	0	Piece work.
Big piecer	. . . . .		15	0	} Young men and boys employed by the Minder and paid by him.
Middle piecer	. . . . .		11	6	
Little piecer	. . . . .		8	2	
Half-timers (under 13 years of age)	. . . . .		3	1	
Twiner (man)	. . . . .	1	14	6	Piece work.
Big piecer for Twiner	. . . . .		14	0	} Young women employed by Twiner.
Little " "	. . . . .		9	0	
Winders	. . . . .		14	6	} Females. Piece work,
Warpers	. . . . .		19	0	

		<i>Weaving.</i>			
		£	s.	d.	Remarks.
Weavers—	2 narrow looms	12	9		Young girls.
"	3 "	18	0		Women.
"	4 "	1	3	0	Men.
"	2 wide looms (16;8)	14	0		Women, all weavers paid piece work.
"	2 " (18;8)	16	0		
Loom jobbers or overlookers		2	3	0	Men paid a per cent- age on the weavers' earnings.

The *average* earnings of a woman employed at weaving will be about 17s. per week. Young girls, who have just learned their trade, are allowed only *two* looms, and will earn 13s. to 14s. per week. Our weaving is entirely confined to cotton velvets; very few men are employed except as overlookers.

In the Glossop district (Derbyshire), weavers weaving printing cloth have four looms each, and earn 18s. per week.

Mr. F. HARRISON stated that the Committee deeply regretted that Mr. Robert Giffen's official duties had prevented him from completing a paper which he was preparing on the subject now before the Conference. The paper Mr. Giffen had in hand would go back to a further period, and would complete his well-known essay on Earnings and Wages, already published for the Statistical Society. Mr. Giffen had expressed his sincere hopes for the success of the Conference, which only the pressure of official duties prevented him from attending.

DISCUSSION.

Mr. BREVITT (Ironfounders) said that the increase of the products of industry had on the whole tended to the benefit of the working classes, he would not dispute, nor would he attempt to prove it; though no doubt others would do both. But he ventured to assert that the non-workers had, up to the present hour, managed to use the worker and his work as the means and instruments by which they had seized and appropriated most of the good things of life, securing a vastly preponderating share of the beneficial results of the modern development of all kinds of industrial productions, and the control of the mechanical agencies which alone had made such development possible. If the present inquiry were rigidly confined to two types of our social system, namely, to the capitalist who employs labour, and to the employé or wage receiver, then it would be a mere farce, and a shirking of some of the most important issues involved. The real form of the question ought to be, Do the people, the

toilers, the millions who, from youth to old age, are engaged in labour obtain anything like an equitable share of the products of their toil, or of those material comforts and social enjoyments which render life tolerable, a blessing and not a curse? To such a question there could, in his opinion, be but one answer—an emphatic negative. If by the word 'capitalist' he might be allowed to understand any individual who, by some means, has accumulated wealth, or property productive of wealth, or who holds some office or dignity, from which he derives wealth, then he fearlessly affirmed that capitalists had grasped, in a most selfish and unscrupulous manner, nearly everything they could lay their hands on: the land, and all the good things on its surface, and even the fishes which abound in its rivers and streams. Nearly all the country was claimed by such men; from royalty, with its numerous palaces, large estates, parks, deer forests, and immense revenues—all derived, directly or indirectly, from industry, down to the rapacious lease-granting ground-landlord who, in many cases, drew immense wealth from property paid for by others, and placed on land, which either he or his ancestors obtained by very questionable means. Throughout the land, from north to south, what did we find? That wealth, or capital, had the best of it everywhere. We saw magnificent palaces, baronial halls, castles, lordly mansions, and beautiful villas, situated in the most desirable spots, surrounded by all that is lovely, furnished with every luxury, replete with every comfort. And who owned them all? Men who did no work, men who scorned the worker, men who gloried in the fact that neither they nor their ancestors ever worked, and who would reckon themselves degraded and punished if they had to work. And where should we find the workers? Mostly in the slums of cities and towns, or else in miserable cottages poorly and scantily furnished, living in the midst of squalor, where culture was impossible and decency difficult. There, with their families, they subsisted, or existed on a pittance just sufficient to preserve life, 'as in a cell, for their tyrant's use to dwell.' Then, look at the Established Church, with its lordly prelates and proud dignitaries, living in palaces and fine houses, and enjoying princely incomes; look at its parsons, with their goodly benefices, ever hand in hand with princes, lords, and squires, in upholding hoary and venerable iniquities, and in keeping down very low the labourer upon whose toil they fatten. How nicely these disciples of One who said, 'Blessed are the poor,' manage to get possession of far more than a fair or honest share in the distribution of wealth, and of those productions of industry, in the originating of which they had no part, and to which they never contributed anything! Those legalised iniquities, the tithes,

were ultimately extracted from toil; for he who paid the impost, whether landlord, tenant-farmer, or house-owner, would seek to indemnify himself by extorting increased payments from those who held property under him, and by decreasing the wages of those who worked for him. So we got, as the result, increased rents and diminished wages, in order that men who neither toil nor spin, might be well fed, clad, and housed, although they would not work. Then, we had the army, the fighting class, with its field-marsals, generals, colonels, and others, extorting millions sterling from the taxpayers, and sapping the industry of the country. These, he classed as capitalists, non-producers, who got hold of, and lived luxuriously upon, money wrested from the earnings and savings of the toilers. These royal pensioners, scions of the aristocracy, and hangers-on of the nobility—men who, perhaps, more than any others, despise and depreciate labour, managed to squeeze out of the industry which they scorned a large amount of the wealth which would, if devoted to peaceful pursuits and social improvements, render the condition of the people immeasurably better than what it now was, and would alter the face of the whole country. And they, of the rank and file, the hired bravos who had, perhaps, entered the army because they could not procure the means of living otherwise—these got none of the honours or the emoluments, but their stipend, like that of labour, was plenty of work and scant reward.

Mr. F. G. P. NEISON rose to a point of order. Mr. Brevitt, whose name was not down for a paper, was reading from manuscript. This practice was not in accordance with the rule regulating discussion.

The CHAIRMAN: The speaker is not personally to blame for reading his remarks, because Mr. Brevitt asked me, as he ascended the platform, whether he might refer to his notes; and I said he might. But, of course, the meeting must understand that Mr. Brevitt is not one of those who are reading papers for discussion, and that he is only supposed to be taking part in debate. Therefore, perhaps, it might be desirable that he should not read, as he is doing, from a written paper. I would, however, take this opportunity of asking Mr. Brevitt to avoid making anything that may look like attacks upon particular classes. I did not like to stop him in the first of these allusions, but there were a few remarks fell from him which would appear to be of a character calculated to give pain to various services, to members of a particular Church, and to those who are employed in different departments by the State. I think it is the feeling of the Conference that observations of that nature had better be avoided. I should, of course, stop from the chair anything like

distinctly political allusions, but it would be also desirable that we should avoid, as far as possible, allusions which may be painful to members of particular classes as individuals. (Hear, hear.)

Mr. BREVITT, in resuming, obtained the chairman's permission to read the remainder of his remarks. He said: A man in the ranks of labour would, by his industry and thrift, save a few pounds; he lived among his comrades in the towns where his work was; he had a comfortable home without extravagance or luxury; and was a good specimen of the artisan; determined to speculate with his money, he became in a small way an employer, he succeeded, accumulated more money, in fact, became a capitalist. In the majority of instances, capital, and the power attending it, demoralised the man; he then began to aim, not at a moderate competency, but to become rich, to get as much wealth as he could; he left his former comrades behind, and got into the suburbs; his comfortable home became distasteful to him; he must needs have luxury, servants, a horse and carriage; his appetite grew by what it fed on; moral and political justice were ignored; probably he ground as much work as he could out of those whom he employed; and, while they must toil on through the years and live amidst the smoke and squalor of cities, he got into the outskirts, among the fields, and into the purer air. If still successful, he aped the manners of those who were higher in the social scale; he was now a gentleman, and looked down with something like contempt on the artisan and labourer, whose toil had made him rich. In due time he died and left his wealth to his children. All this time his life and conduct had been strictly honest and legal. But had this man who, by means of the sweat and toil of others, had converted his few pounds into thousands, his comparatively humble home into a luxurious one, and a life of toil into one of ease and idleness—had he received no more, and appropriated no more of the products of industry than justice, equity, humanity, and the law of love sanctioned? If a Christian, had he practised those precepts of self-denial, self-sacrifice, and devotion to humanity, which the Founder of his religion inculcated? Who would dare to say he had? Had not his whole life been selfish, unchristian, and self-seeking? This self-love, this lust after wealth, luxury, pomp, parade, power, and indolence; this gospel of hedonism, which so crushed, stifled, and nullified the gospel of labour, simplicity, self-denial, and love of humanity, was more than anything else accountable for the gross and monstrous inequality, injustice, and inhumanity which pervaded and permeated the whole social and political life of Europe and America. He, for one, hailed with hope and delight the efforts of the men who would restore the land to the people, and

abolish the proud and arrogant caste who would hold the soil for their own exclusive use and emolument. He hoped that in the not very distant future, when Britain's sons and daughters were enfranchised and educated, we should see a noble peasant proprietary built up and gaining an honourable livelihood by cultivating the land. Let all assist and further the efforts of the men who, by trades unions, co-operation, profit-sharing, temperance societies, and other methods, would equalise, or, at any rate, more justly apportion the distribution of wealth. Let them cordially greet all such efforts; they were all needed, and all deserved hearty support.

Mr. B. JONES (Co-operative Wholesale Society) said he would try to keep to the chairman's ruling, and to say nothing, if he could possibly help it, which might be painful to the feelings of the members of any class; but, if he should unfortunately transgress, he hoped it would be put down to the lack of education to which most working men at the present time were subject. It was, however, only fair to say that they were so much accustomed to have hard words said to them in their daily employment that the meaning and force of strong language seemed to be lost sight of; whereas men unaccustomed to hard words were apt to feel them with greater severity than workingmen who were so accustomed to language of that kind. What Mr. Lloyd Jones had said was quite true, that it was very difficult, if not impossible, to accumulate the data necessary to arrive at an exact estimate of the amount received by the different classes, of the benefits which the whole country had received, during the last 100 years from improved inventions and so on. But they could arrive at an estimate sufficiently near to enable them to decide, with something like unanimity, the question as to which class had received the greatest benefits from the machinery and the inventions of the last fifty years or 100 years. Mr. Giffen, in his *Progress of the Working Classes*, had pointed out that the income assessed for taxation amounted to 600,000,000*l.* a year. The same gentleman, in another work, had, he believed, estimated the income of the wealthy classes, or those subject to the income tax, which escaped taxation, as equal to another 25 per cent., which would bring the total to 750,000,000*l.* If to that were added the immense personal property, the immense wealth which paid no rates or taxes whatever, though it ought to do as much as other personal property, no doubt the grand total would be between 800,000,000*l.* and 900,000,000*l.* a year, representing the annual income of the wealthy or income-tax paying population. Looking on the other side, the estimate of income of the working classes was usually given at between 400,000,000*l.* and 500,000,000*l.*; but anyone capable of adding two and two together would, on

examining these figures, see the utter fallacy buried beneath them. It must also be remembered that the larger income is divided among a few thousands, while the smaller income is divided among millions. Mr. Giffen had quoted, as a substantial proof of the correctness of his estimate, the wages of seamen in the year 1850, and their wages at the present time. He had himself had the curiosity to look at the Blue-book; of course, working men were not supposed to look into such things, but they now were getting into the habit of doing so. And what did he find there? He found that Mr. Giffen, for the year 1850, gave the wages of able seamen in sailing vessels, and in 1882 or 1883 the wages of able seamen in steam vessels, instead of comparing the wages of able seamen in sailing vessels in 1882 and 1883 with the wages of able seamen in sailing vessels in 1850. He said nothing at all about these sailing vessel rates of 1882 or 1883, but ought to have done, because the employment on steam and on sailing vessels is a distinct class of occupation, and one ought not to be confounded with the other. If Mr. Giffen had taken the wages of able seamen in sailing vessels in one year and compared them with able seamen in sailing vessels in the other year, he would have found the increase of income reduced by 50 per cent. Not only would that be so, but another fact comes out most clearly: whereas in 1850, 103,913 men were employed in sailing vessels, in 1883, 58,000—or only one half—were employed in the same class of vessels. Now, at once some one would say that was owing to the circumstance that so many steamers were running. Nothing of the kind; for the tonnage of sailing vessels in 1883 was slightly in excess of the tonnage of the same class of vessels in 1854. So they saw that, for an increase in wages of something like 15 or 20 per cent. working men had to do very nearly double the labour. Mr. Hey, of the Ironfounders, had been at the trouble of taking from the books of that Association the average wages from the year 1855 to the present time, and had entered into careful details as to deductions made for holidays, short time, sickness, and so on. After these deductions, Mr. Hey had ascertained that for the ten years, 1855-65, the net wages of ironfounders throughout the kingdom were *1l. 4s. 6d.* per week; for the ten years, 1865-75, *1l. 5s. 6d.*; and for the ten years, 1875-85, *1l. 5s. 5½d.* Where, then, was the increase of wages, which Mr. Giffen had estimated? Look at the matter in this way: the progress of industry, causing the development of large businesses, had resulted in arrangements which enabled a certain portion of the community to do far less drudgery and far less work, while they realised greater incomes. On the other hand, the working classes, for instance, weavers—my mother was a weaver, and I have heard her say

that weavers, before the passing of the Factory (10 hours) Act, used to work at a certain rate of speed ; but on the introduction of the ten hours system, they had to turn out more work in a given time than they did before that Act came into operation. From these facts there was conclusive proof that the capitalist classes had less work and got more money, while the working classes had more work and got a little more pay, but not in proportion to the extra work they were now called upon to do.

Mr. W. SAUNDERS (English Land Restoration League), having explained that he had no intention of saying a word, at that moment, on behalf of the League from which he was a delegate, stated that he wished to refer to the practical suggestions made by Sir Thomas Brassey in his excellent paper. The first was, that working-men must look to capitalists to give them employment, and that, perhaps, the best mode which capitalists could adopt for stimulating employment would be in building houses for the people. Now, they might assume that both labour and capital were directed by a reasonable amount of common sense, and that a capitalist would employ his capital, and a labourer would employ his talent, if he had got the chance of doing so, with a prospect of profit. What was it then that prevented the employment of capital and of labour in the manner indicated by Sir Thomas Brassey ? In reference to that question he would mention two facts. In his own neighbourhood a man wanted to build a house and fixed his mind upon a piece of ground which, at present, was paying hardly anything to the landowner. The landowner would not allow him to build that house unless he paid at least one-third of the value of the house, or gave an equivalent in ground rent. If he wanted to build a house worth 2,000*l.* he could not do it unless he paid the landowner 1,000*l.* for that which was not now bringing 2*l.* a year. In the country it was exactly the same. A gentleman desirous of building a house in the middle of the country, 100 miles from London, asked a landlord on what terms he would sell him a field—a small field which was unoccupied at the time, and which has been unoccupied ever since ; and the reply of the landlord was : ‘ If you offered me 1,000*l.* for that field, more than it is worth, I would not take the trouble to complicate and bother my settlement with the transaction.’ In both cases, therefore, labour was restricted by the action thus described. Instead of pointing to various schemes which might be complicated and difficult, and instead of referring the labourer to the capitalist, and the capitalist to the labourer, and talking about lower wages, what was required in order to improve the condition of the labourer and of the artisan was simply to remove the bands which now repressed industry.

Mr. BURNS (Social Democratic Federation) said they had been warned by the chairman to address their remarks to the audience in language as polite as it was possible for working-men to use. Now, considering that working-men had not much time to study politeness, that the class to which he himself belonged had unfortunately to get up at half-past four in the morning and to work hard all day for scanty wages, much politeness could not be expected from them. As one who had travelled throughout Great Britain, and who knew, as an engineer, the condition of his fellow-workmen, he considered that Mr. D. Cunningham, in his paper, had unjustly taken the employés of the Dundee Harbour Board as a standard of the wages of the Scotch people in that particular district. The employés of Boards of Conservancy, and of Harbour Trust Boards and Corporation Boards generally, there received, on an average, from 4s. to 8s. and 9s. a week more than the average rate of wage paid at competition shops in the same district; that was, the majority of men who had worked for Corporation Boards and private firms. Mr. D. Cunningham had said that between 1859 and 1884 there had been an increase of workmen's wages from 60 to 80 per cent. Viewed from a workman's position, that was a marvellous statement to make: it was one which he could in no sense corroborate. Mr. D. Cunningham ought not to forget the important fact that, although nominally wages had increased, yet the purchasing power of the money had decreased amazingly in the period to which reference had been made. The writer of the same paper had asserted that the prices of commodities, such as tea, sugar, soap, treacle, syrup, and marmalade averaged now only half the prices of 1859. But a working-man did not live on tea, sugar, soap, treacle, syrup and marmalade (laughter). There were other commodities which entered into a working-man's diet besides such things as marmalade, sugar, and syrup. Mr. D. Cunningham told them that the price of meat to-day, compared with 1859, was not much greater. As one compelled by the general low wages he received from the capitalist to be more of a vegetarian than he liked, he would tell Mr. D. Cunningham that the meat was now extravagantly dear, the prices were prohibitive to men, especially in the district mentioned in the paper, Dundee, where the average rate of wages of members of the Amalgamated Society of Engineers, when they happened to be in work, was from 26s. to 28s. a week. And yet, in the face of that fact, the writer of the paper had told the Conference that the average rate of wages was between 29s. and 30s. per week! Taking into consideration the circumstance that, as Dundee, being a port, was dependent upon the arrival of shipping, they would at once see that occupation there was precarious, and they

would not be surprised to hear that the amount of earnings per head, or per family, was at least 50 per cent. lower than the estimate of Mr. D. Cunningham. The average wages received by members of the Society of Amalgamated Engineers were 38s. a week in London, and in other parts from 26s. to 36s. Throughout the whole country, the average wages of men in work, in precarious times like these, would not be more than 29s. a week. Mr. D. Cunningham had told them that superior articles of consumption, such as eggs and meat of home growth, had risen considerably in price, but their place had been largely occupied by imported foods in tins. The working classes had been told by many gentlemen that one of the causes of the bad condition they were in was that they were thriftless and dissolute. Even upon the wages estimated by Mr. D. Cunningham, it was not possible for the father of a family of four or five to be thrifty. Assuming, for the moment, that Mr. D. Cunningham's figures were not exaggerated—and he for one did not believe they were exaggerated intentionally—it was not evidence of well-being and material prosperity for a man to receive, on the average, from 28s. to 31s. a week; because that was not an extraordinarily large sum out of which to keep a family of two or three children, and with an exorbitant house-rent to pay. When he found that the actual amount received by employés of the Dundee Harbour Board, distributed over skilled and unskilled workmen, was not more than from 18s. to 19s., he felt that Mr. D. Cunningham's figures must be accepted with a very large grain of salt. With regard to the condition of the people and their remuneration, the present period was equal in its intensity and bitterness to the period of 1879, so graphically described by Sir Thomas Brassey, some five years ago, in *The Nineteenth Century*. Had Sir Thomas Brassey read over his article, published in 1879, it might have saved him the trouble of writing another on the same question. With regard to the purchasing power of money, meat was at least 50 per cent. dearer than it was twenty-five years ago. It was, however, true that boots were cheaper. It used to be said, 'There is nothing like leather'; but the shoemaker of the present day appeared to have reversed that saying by substituting another, 'There is nothing like brown paper'; and he gave them plenty of it. What was said of boots applied to clothing, such as moleskins and corduroys, which, although decreased 25 per cent. in price, had diminished 125 per cent. in quality. In fact, the clothes sold to the working classes at the shoddy shops were similar to the goods supplied to the natives on the banks of the Niger and the Congo, where he had been. He remembered seeing a native on the banks of the Niger washing some of his clothes. They had recently been

brought from England, and by the time he had rinsed the water, blue, and size out of them, there was very little left for him to wear (laughter). Such statements as those made in Mr. D. Cunningham's paper must be seriously met by the artisans to whom they were addressed, and this Conference did not in any sense represent a number of persons who were affected by the question (hear, hear). It was a question which would have to be threshed out by the working classes, and he was sorry that Mr. D. Cunningham had not gone to better authorities for his figures, and given better data than he had in his paper. Those figures and data were inaccurate and misleading, and he questioned them, as a reformer, as a sober man, as a Malthusian, and more of a vegetarian than he should be. There were many of his fellow-men who would question such statements; he referred to men who practised the virtues of temperance, who neither drank, nor smoked, nor chewed (laughter). Artisans could not live on the miserable wages received by agricultural labourers, ship riveters, and sailors (applause).

The CHAIRMAN: At the beginning of his remarks, Mr. Burns alluded to my ruling as to what he called politeness. I think the Conference will see that there is very great distinction between the character of the observations which have fallen from Mr. Burns, which were entirely pertinent, and to the point, and remarks such as those to which I alluded. The latter were in the nature of comment upon the Church and upon the Army, which are matters entirely outside, I think, the proceedings of this Conference. One of the speakers referred to those who, not belonging to the labouring classes, were unused to hard words; but that is a remark which cannot apply to politicians. It was not in consequence of any general dislike of hard words that I spoke on the matter, but from a desire that our proceedings should be confined strictly to the great question before us. (Applause.)

Mr. JAMES AITKIN (Greenock Chamber of Commerce) said that he observed in some of the papers statements put forth that pointed in the very opposite direction to what experience teaches. Mr. Hutchinson (page 49) set forth that the increase of the products of industry had been of such benefit to the working-man as to bring these products within the purchasing power of himself and family. It must be admitted that great benefits had been derived from the increase of the products of industry of late years; still these benefits had been altogether in favour of the capitalists, the employers, and but a very small section of the working population. That section consisted of those who were in constant employment and highly paid; and those who were only occasionally employed at low wages derived

no benefit but rather injury. We need not go back one hundred years in search of information on this question. If the inquiry be confined to the last forty or fifty years, there is a whole army of gentlemen who have had that long experience in the weaving factory, the engine shop, or the building yard. These gentlemen can furnish much more reliable information on this question than it is possible to extract from any statistical tables, however carefully they may be prepared. In making such an assertion it is necessary to show how it is possible that what is apparently the prosperous state of the country, can be detrimental to a large portion of its inhabitants. There are agencies at work the tendency of which is to depress the workman. Fortunately many of these are under the control of the workman, if he choose to avoid them; but there is one, the most powerfully depressing agency of all, over which he has no control whatever; it is entirely in the hands of the capitalists and employers, and it is one of the principal factors in the depression of trade at the present time; he referred to the labour-saving appliances of modern times. Labour-saving machinery ought to be encouraged; the evil is not in the machinery but in the keen, grasping disposition of those who have it under their control. Were they to meet it in the spirit they ought to do, it might be a blessing to every-one, while at present it is a curse to many a workman. Fifty years ago labour-saving machinery was comparatively little known. Now, there are occupations where the labour of the workman has been nearly dispensed with altogether, although fifty years ago the labour was entirely performed by the workman. In carpet weaving, fifty years ago, the workman drove the shuttle with the hand, and produced from forty-five to fifty yards per week, for which he was paid from 9*d.* to 1*s.* per yard, while at the present day a girl attending a steam loom can produce sixty yards a day, and does not cost her employer 1½*d.* per yard for her labour. That girl with her loom is now doing the work of eight men. The question is, How are these men employed now? In a clothier's establishment, seeing a girl at work at a sewing-machine, he asked the employer how many men's labour that machine saved him. He said it saved him twelve men's labour. Then he asked, 'What would these twelve men be doing now?' 'Oh,' he said, 'they will be much better employed than if they had been with me, perhaps at some new industry.' He asked, 'What new industry?' but the employer could not point out any, except photography: at last he said they would probably have found employment in making sewing-machines. Shortly afterwards he was asked to visit the American Singer Sewing Machine Factory near Glasgow. He got this clothier to accompany him, and when going over the

works they came upon the very same kind of machines as the clothier had in his establishment. They put the question to the manager, 'How long would it take a man to make one of these machines?' He said he could not tell, as no man made a machine; they had a more expeditious way of doing it than that; there would be upwards of thirty men employed in the making of one machine; but he said if they were to make this particular kind of machine, they would turn out one for every four and a half days' work of each man in their employment. Now, there was a machine that with a girl had done the work of twelve men for nearly ten years, and the owner of that machine was under the impression that these twelve men would be employed making another machine, while four and a half days of each of those men were sufficient to make another machine that was capable of displacing other twelve men. Were this a solitary case, there would be little to complain of, but when we take into account that it is the same with almost every industry under the sun, it becomes a serious consideration. (Hear, hear.) The building in which they were met would have taken double the number of men to construct it fifty years ago that it would at the present day. There is scarcely a branch connected with house-building in which labour-saving machinery has not come into operation. Slating and plasterwork are but slightly affected, but in some of the other departments one man with two assistants attending a machine will do as much work as sixty men would have done fifty years ago. Viewing the present depression of trade in the light of these facts, how can it be possible for men to get a living who have nothing but their labour to depend on, and who have been deprived of a market for their labour by the introduction of labour-saving appliances? Is it not necessary that there should be a reduction of the hours of labour so as to allow everyone to earn his own livelihood? It would certainly be better that ten men should work six hours a day, and all be employed, than that six men should work ten hours a day and the other four men go about idly and be supported as paupers. (Hear, hear.) Mr. Giffen made great efforts to induce the public to believe that the working classes have been greatly benefited by the increase of their wages during the last fifty years. His own impression was that the wage-earning population would have enjoyed all the comforts they now do, had wages remained at the rate they were fifty years ago. Practically wages have not risen at all, for just as wages rose everything else advanced in price—clothing, house rents, and food, with very few exceptions, and, from the very nature of trade, it cannot be otherwise if people are to deal fairly and honourably towards each other. Fifty years ago wages were little more than

half of what they are now. Assume that in the house-building trade the masons claim and gain advance of 10 per cent. on their wages. Then the joiner, the slater, the unskilled and all other branches connected with house-building, would consider that they were as much entitled to an advance of 10 per cent. as the masons, and they would get it. The house that could formerly be built for one thousand pounds would then cost eleven hundred pounds, and the house rent that was formerly 10*l.* would be 11*l.* Next come in their turn the clothier, the shoemaker, and the baker; these very naturally say that if they are to pay 10 per cent. more for houses, they are entitled to get 10 per cent. more for the commodities they are producing for the builders. They also make the demand and get the advance, and the same thing goes on until within two years from the start every occupation has got 10 per cent. of an advance. They are now all upon a level as formerly, only 10 per cent. higher, and ready to start afresh for another advance. Every one is getting 10 per cent. more for his labour, and paying 10 per cent. more for everything he requires, so that, practically, wages have not risen at all. Individually, the workman is no better, while nationally he is a great deal worse. With high wages and heavy import duties at home, and export bounties abroad, the produce of his labour is practically shut out of the foreign markets, while the foreigner is freely bringing his manufactures into this country and outselling the home manufacturer in his own market, and our own workmen are going about starving. By the aid of their trades unions workmen have succeeded in nearly doubling their wages, and in doing so they have spent large sums of money on strikes and lock-outs, but they have fought against their own shadows, and gained the victory over themselves. What did the 10 per cent. advance of wages matter to their employers? It affected them only so far as they had contracts taken at the time. Beyond that, and at the very first opportunity, they recouped themselves from the house proprietors for whom they erected the houses, and the house proprietors in turn recouped themselves from the people who inhabit the houses, so that in the end things are no better than they were at the beginning. Impartial investigation would do much to expel from the minds of workmen that phantom breach between capital and labour, that exists only in the imagination, would help to maintain the prosperity of the country by establishing a more friendly feeling between employers and their workmen. (Applause.)

Professor BARSTABLE (Statistical Society of Ireland), having observed that the discussion had not kept very close to the question, pointed out that there were three classes distinctly mentioned amongst whom the products of industry were to be distributed. Two of these

classes were placed together in the terms of the question, capitalists and employers. Anyone acquainted with the facts would see that the remuneration of one of these classes might be greatly diminished, while that of the other might be vastly increased. Carefully prepared statistics had, he thought, shown that the remuneration of capital had not increased. As a matter of fact, the rate of interest had been steadily falling for many years. On the other hand, the remuneration of employers, where they were successful, had undoubtedly increased; but with regard to the remuneration of employers as a body, there had been so many failures that the question was an open one, whether they had, as a whole, succeeded. In considering this question, the progress of industry in the last one hundred years must not be dealt with as a fact by itself. In other periods of English history exactly the same kind of depression had occurred; in the Elizabethan period, for example; in fact, it was a feature common to all periods of transition. One striking fact had not been brought out in regard to depression, viz. that it was not connected with the progress of machinery. Undoubtedly the working classes had advanced during the present century, whatever might be said of their relative advantages two or three centuries ago. The depression at the commencement of this century existed far more on the continent than it did in England. The terrible extent of the depression was pointed out by Sismondi, in his great work, who contrasted the condition of England, where machinery was greatly developed, with the continent, where it was not. A point, especially worthy of notice, in Mr. Lloyd Jones's paper, was his remark that England possessed only a limited foreign trade in what he had called the pre-mechanical times. Taking trade as a whole, that was disputable. So eminent an authority as Adam Smith had shown distinctly that England's foreign wars materially affected exports, especially of woollen products, and that, at the conclusion of peace, after certain great wars, considerable distress followed, in consequence of the excessive production of English manufactures, the check put upon exports, and also the number of men disbanded. The change in the relations of masters and workmen had been attributed largely to the progress of industry. That statement was plainly open to dispute. The change was due partly to the breaking up of the feudal system, partly to the repeal of the Corporation Laws, itself partly due to the action of the employers, and in great part to the spirit of independence developed among the working-men, *i.e.* the democratic spirit. In the early part of the present century the continental system adopted by Napoleon had the effect of considerably injuring English trade. It was a remarkable fact that this growth of industry, which advanced the position of the

employers, was so disastrous to foreign countries that several of them, if not all, endeavoured to encourage manufacturing industry by protective systems. We were all aware that, in America, the protective system was adopted to encourage manufactures. The same course was adopted by Germany, and was always maintained in France. Within the last few years, the working classes had received at least one advantage: they had been enabled to get sound education for their children. Several delegates had apologised for remarks which might be considered unpolite, owing to want of education. It was perfectly plain that the working classes were not by any means deficient in education. As a matter of fact, more hard language had been used on the side of employers than on the part of working men. With reference to the terms of the question, as it appeared on the paper, it should be borne in mind that, while there were employers who developed industry, there was also a division of capitalists or persons generally known as speculators; for, if consideration was paid to the amount of profit made in trade, it would appear clear that a great deal of such profit, which included interest and employer's remuneration, was the result of speculation, and not of the fair management of industry. All would recognise the fact that some of these men lost considerably by speculation. The extraordinary development of industry in the early part of the century did not seem to have been brought out sufficiently in discussion. No doubt the action of trades unions had succeeded in removing a great deal of difficulty, and had placed the working-man in a much stronger and better position. In such a country as America there was no great class prejudice, and yet there was the same tendency to divide the workmen from the employers, a great number of the latter having risen from the ranks of the working-men. (Applause.)

Professor MARSHALL (Professor of Political Economy in the University of Cambridge) remarked that there had been a tendency for those who ranked with the wage-receivers to try to prove that wages were low, as, throughout the discussion generally, there had been a tendency to try to show that wages were high. It would be a great advantage if they could look at the matter from a purely impartial point of view. There was a great temptation to exaggerate the misery around us. No doubt the misery that did exist at present was a scandal; it ought not to exist. Had it not been for the repression of knowledge in earlier years, and had it not been for the military system which kept down the free development of the people, we should long ago have risen out of a state in which the condition of the working classes was unendurable. There was no use whatever in pretending that their present condition was satisfactory; on the

other hand, there was great positive harm in trying to make it appear that they were worse off than they had been formerly, because, then, the advocates of the old repressive system, and of all the things which hung together with that system, would say: 'They surely are going on the wrong tack.' (A Delegate: So we are.) It was, therefore, right that members of the Conference should put a little restraint upon themselves and not allow their indignation at existing evils to induce them to exaggerate the happiness of times that had passed away. What Mr. Lloyd Jones had said about statistics of the present day was certainly true. It was difficult to get accurate statistics, but how were statistics in past times got? Much of the evidence of the well-being of the working classes came from the stray notes of travellers who formed their impressions as carelessly as Mr. Anthony Trollope did when he made his tour in America. Mr. Lloyd Jones had said there was an enormous improvement in production, and yet very little increase in the actual wages of the working classes. It was quite true there had been an enormous increase in the power of producing watches; and, if the working classes wanted to spend all their income on watches, they would be very much better off than they had been before. But when they spoke of the income of the working classes, they thought chiefly of bread and meat, and house-room, and there had not been so great an increase in the production of these. It is not fair to complain that the increase of production has not raised wages much, and to measure the increase in production only in manufactures, while we measure wages chiefly with reference to raw produce. The times had not been so much out of joint as some persons imagined, who thought that, if wealth were divided equally, all would be rich. That was quite a mistake. If they were to divide the wealth equally, the average per head would be only 3*l.* 8*s.* for England and Wales, the richest part of the kingdom. [A Delegate: Per head of the family?] No, per head of the population. Many families in Lancashire earned quite five times that amount. [A Delegate: Not many. Where?] It was quite true there were few statistics with regard to the past; but they had them for 1688 and 1803; and these could be compared with our estimates for 1883. In 1688, the average wages of the working classes of England and Wales was 3*l.* 10*s.*, and of the total population 8*l.*; the average for the working classes was, therefore, 45 per cent. of the income enjoyed by the average of the population. In 1803, it rose to 50 per cent. (the income of the working classes being 12*l.* a head, and that of the whole population 24*l.*), and in 1883, to 57 per cent. (the income of the working classes being 20*l.* 14*s.* a head, and that of the whole population 36*l.* 8*s.*). In this estimate for 1883,

he was going on Mr. Dudley Baxter's figures, with some modifications. Mr. Mulhall had published no estimate in detail of the wages of the working classes, and, therefore, ought not to be compared with either Professor Leone Levi or Mr. Dudley Baxter on this matter. But the last two authorities might fairly be compared: Mr. Baxter excluded from the wage-receiving class, foremen, overlookers, &c., whom Mr. Levi reckons, as most other people do, among them. Also he assumed as the basis of his estimate that 20 per cent. of the working classes were habitually out of employment. Most people thought that too high. Lastly, Mr. Baxter took the year 1867, when there was a great deal of depression: Professor Levi, 1866, when things were much better. Allowing for these differences they would find the results of these two careful statisticians agreed very closely, and were on the whole trustworthy. In all ages of the world there had been a general tendency to believe that men were now worse off than their ancestors, and that all the things they had to wear were of inferior quality to the clothes worn in old times. It had been stated, in the course of the discussion, that the quality of fustian was 125 per cent. worse. Test that statement by reason. Cotton had never been cheaper than it was now: at the beginning of the present century it was 1s. 6d. per lb.; it shortly fell to about the price at which it stood now. It had, since that fall, remained at the same price, except during the American War. Meanwhile, there had of course been great improvements in the machinery by which fustian was made. The Hebden-bridge Fustian Co-operative Society was admirably managed and they could trust its accounts. If it was true that thoroughly bad material could be sold at nearly the price for which material was formerly made; if it was true that the Hebden-bridge Society bought its raw material quite as cheaply as it used to be bought, that it had better machinery, and not very much higher wages, then that Society ought to be able to divide 300 per cent. per annum on its capital. As they did not make these large profits, it was clear either that wages had risen enormously, or that good fustian was to be had cheaper than before. [A Delegate: What about the paper boots?] There had been bad things in all times. Mr. Lloyd Jones had said that popular rumour should be trusted as to the state of depression in the country. If they read history they would find that, out of eighty-four years in the present century, there had been about fourteen in which there was no murmur of depression in industry; in all the others there had been. If they looked into the details they would find far greater misery than any that was at all common now. In the year 1840, in Liverpool, there were as many as 30,000 persons living in 8,000 cellars; none of the cellars

were ever dry, and after a considerable rain most of them were flooded. Where is now New Oxford Street, between Old Oxford Street and Holborn, there was formerly a large area, with scarcely a single drain, where the people were packed like sardines in a box. The stories they had lately heard about the present condition of the people at the East-end of London, terrible as they were, were not as bad as the stories told of the former condition of the poorer classes of the population. Do not let them delude themselves with the idea that any distribution of wealth would make the condition of affairs perfect or satisfactory. We want to increase the production nearly as much as we want to improve the distribution of wealth. Times were no doubt out of joint, but there was no good in pretending that they were more out of joint than formerly.

Mr. WILLIAMS (Social Democratic Federation) said that, as a labourer representing the labouring portion of the Social Democratic Federation, he confessed it was very hard to do, as the last speaker had suggested, namely, to put a restraint upon himself, and not condemn the employing classes quite as much as he, and those who agreed with him, had been doing. He maintained that they were fully justified in going as far as they had gone in attacking the employing classes, seeing the extent of the poverty and misery surrounding them, and the number of years they had been fighting this question. The men who had been working up the class hatred are the employing classes, who had none but themselves to thank if this class hatred now existed. With regard to the condition of the workers, whenever times of depression arose, somebody was sure to come forward and tell them they were better off now than they had been years ago. However that may be, the question was, Did they now get a fair share of the product they created by their labour? If they did not, then he for one would go on condemning the present system until they did get a fair share. Professor Leoni Levi wanted to make out that the workmen of to-day were a great deal better off than formerly: he said the income of the working class was about 569,000,000*l.* Figures such as those had been used in times of depression for the purpose of deceiving the working classes, for he maintained that their income was only 300,000,000*l.* Professor Levi had gone back to the year 1793, when, as he stated, the agricultural labourer received but 1*s.* 9*d.* a day, whereas now he got from 2*s.* to 2*s.* 6*d.*, from which, concluded the Professor, the agricultural labourer was better off now than then. But Professor Levi seemed to have forgotten that the purchasing power of that 1*s.* 9*d.* was much greater at that time than the purchasing power of 2*s.* or 2*s.* 6*d.* in these days. (Hear, hear.) That fact was well-known to all who had

studied the currency question. Moreover the agricultural labourer had then his own plot of land, on which he could grow his own vegetables, and where he could have his one or two pigs—advantages which considerably helped to keep him in comfort. Again, the same professor had stated that the agricultural labourer of the former period could not live on 1*s.* 9*d.* a day, and had therefore to apply for charity, but that now, as he received 2*s.* or 2*s.* 6*d.* a day, he could put something by to support him in his old age. These figures seemed to be jumbled up for the purpose of deceiving the working classes. Sir Thomas Brassey had said that it was a vague idea that the rich were getting richer and the poor poorer. As a labouring man he declared emphatically that wealth was to-day getting into fewer hands, and the labouring population were becoming poorer and poorer day by day. He owned that gentlemen could not see this sitting at their West-end clubs. What they should do was to go to the Dock gates, for there they would see thousands of men begging, and even clamouring, for employment; then, they might ask if that was a proper state of things to exist in this country. Sir Thomas Brassey had said, what was wanted was a better understanding. Why, for years and years, the working classes had been trying to arrive at an understanding with their employers, but the latter would not allow them to do so. The time had now gone by for a better understanding, and the time had come to declare that the present degrading system should exist no longer. (Applause.) He was convinced that many men would go away from the Conference determined to do their utmost to sweep away that system. The return of the Post Office Savings Banks, to which Professor Levi had referred, was really no criterion as to the wealth of the working classes, and, therefore, to quote that return for such a purpose was misleading, because a majority of the depositors belonged to the middle classes. He knew of family after family belonging to the middle classes, the members of which, from the youngest to the parents themselves, placed money in the Post Office Savings Banks. He consequently dismissed that return as vague and misleading so far as concerned the suggestion that it represented the savings of the working classes. As a labouring man for twenty-five years, and unmarried still, he had been unable to put by anything in the Post Office Savings Bank. As to over-production, there was no such thing in this country. How could there be when people were seen walking about our cities in large numbers, starving for want of work and crying for the things that filled the warehouses. (Hear, hear.) After that, the theories about over-production ought to be knocked on the head. With regard to thrift, the working classes were the most thrifty people

under the sun : there was no mistake about it. (Applause.) The people who talked so much about thrift had said : ' You should live on less.' German employers said the same thing to their workmen, and the Chinese to theirs ; and it was said the Chinese had sufficient. But, surely, they would not have English workmen live in the same way as the Chinese. He remembered, when the Duke of Westminster called a meeting to consider the question of thrift, he was asked whether he did not believe that the working classes were the most thrifty people under the sun. In reply, his Grace said : ' I do not think they are.' Said the workman who had put the question, ' I will prove that they are the most thrifty. Only let me have your income, and you, in exchange, take mine—my wages of 18s. a week—and then we would soon see whether you could save anything. My opinion is that at the end of the year, you would be knocking at the workhouse door.' (Hear, hear.) As to peasant proprietorship, he denied that it would do away with poverty ; and in proof of this he might state that in France, where the system existed, the people were in abject poverty.—The CHAIRMAN : We are drifting into the subjects put down for the third day.—Mr. WILLIAMS concluded by expressing a hope that, whatever delegates might come on the platform, they would speak out what they thought, freely and fearlessly, whether by so doing they offended or not, the classes whom they had to affright. (Applause.)

Sir T. BRASSEY, in reply, said : Although much they had heard that morning was necessarily of a very painful character, and although the particular subject which he undertook to discuss was less congenial to him than some other topics, such, for instance, as the subject of what capital could and ought to do for labour, nevertheless he was glad to have been present at the Conference. It was valuable and instructive to all classes of the community to have an opportunity of meeting together, and discussing in a spirit of sympathy and appreciation the important problems which had been brought under consideration. Some of the speakers had sought to traverse the statements he had made. No one could dispute the increasing returns of accumulated savings, but the fact that capital was being rapidly accumulated, did not prove large profits as much as a general desire to save. He had given some figures to show that there was a tendency to reduction in the rate of profit. More information on the subject was greatly wanted. The Governments of other countries were doing much more than had been done by our own Government to supply information on this matter. In America, the collection of statistics, bearing upon the interests of the labouring man, had been carried a great deal further than it had been in

England. But, in addition to what the Government might do in order to furnish information, there were many other sources to which we might confidently look. The trades union organisations might be most useful for such work. He was not one of those who in the least questioned the extent, value, or necessity of these organisations; on the contrary, he looked to the intelligent guidance which came from trades union organisations as one of the surest means of improving the relations between capital and labour. A great deal could be done by the introduction and extension of co-operative industry. The returns of the joint-stock companies were made public, and, by testing the results by the dividends declared, the workmen in the several trades could gauge very fairly the value of their claims. A word or two as to what capital could do for labour: what did labour require? It required higher wages and increased purchasing power for those wages. Observations had been made, and, he regretted, with great truth, as to the insufficiency of wages in many trades. To what was that insufficiency due? It was due to excessive competition for employment. One of the speakers had referred to the insufficiency of the wages of our able seamen. He knew something of the hard life of the seamen, and he had always considered that the wages of our seamen were lamentably low. But why was it that the wages were so low in the sailing ships of this country? It was owing to the competition of the foreigner. Vessels were largely manned by foreign seamen, who were glad to serve in British ships at low rates of wages. How was this to be remedied? how were they to obtain an advance of wages? By increasing the demand for labour. They must endeavour to create more and wider markets for British productions. By stimulating the growth of our colonies, a double result would be produced: firstly, the creation of a larger market for British goods, and secondly, an increased demand for labour in this country, thereby tending to increase the rate of wages in England. Such, among other means, seemed to him the most practicable by which capital might do a service to labour. Unless capital could show itself to be of some service to the community, the tenure of the capitalist would be, and ought to be, precarious.

Mr. LORD JONES, in reply, said, as to his remark respecting the very large increase of the mechanical producing power of the country, Professor Marshall's observations with reference to watches did not apply to that at all. Every machine that was made produced something in the factories and workshops at home, and every product at home was exchangeable abroad—food no less than any other product—so that an increase of food had been brought about by the increase of machinery, and the more machinery was increased, the greater

would be the exportation of its product, and the more would the food of the people of this country be increased. He had not himself said that the poor were getting poorer, and the rich richer; but he did assert that that was not the question for the present age. The question was not whether the worker was better off than his grandfather in a number of things, but whether he was as well off as the resources of the country entitled him to be. We could not reform the past, but we could reform the use we made of that which was in our hands at present. He did not accept the rumours that were going about in regard to the condition of the people. He had lived too long in connexion with the newspaper press to accept all it had to say. He used his own eyes and ears in preference to any number of doubtful tables of figures which might be brought forward. What he saw, and heard, and had touched, he believed; but were tables of statistics doubled, he would not believe one of them without corroboration.

Mr. D. CUNNINGHAM, in reply, said that the figures given in his paper had been taken from the wages' books of the Dundee Harbour Trustees, which were still extant, and could be consulted by anyone who disputed the correctness of his statistics. If corroboration were wanted as to the great rise in the rates of wages that had taken place in Dundee, the case of printers might be cited. Printers, from 1833 to 1838 received 16s. per week, while from 1876 to 1884, for newspapers, the pay for work ranged from 32s. 6d. to 42s., and for book and jobbing work, from 26s. to 35s. Coincident with such an extraordinary increase, the hours of work per week had diminished from not less than 60 to 51 hours; that was to say, that, while the rate of pay was doubled, the hours of work had been much reduced. Then, as to the savings of the working classes in Dundee, the return of the Dundee Savings Bank showed that, in the last eight years—that was from the end of 1876 to the end of 1884—the deposits had increased from 447,080*l.* to 739,483*l.*, or by 290,000*l.*; and, as he was assured by the accountant and cashier of that bank that eleven-twelfths of the depositors belonged to the working classes, he contended that the savings of these classes had largely increased, and that they must have realised a greatly improved condition.

AFTERNOON SESSION.

HAS THE INCREASE OF THE PRODUCTS OF INDUSTRY WITHIN THE LAST HUNDRED YEARS TENDED MOST TO THE BENEFIT OF CAPITALISTS AND EMPLOYERS, OR TO THAT OF THE WORKING CLASSES, WHETHER ARTISANS, LABOURERS, OR OTHERS? AND IN WHAT RELATIVE PROPORTIONS IN ANY GIVEN PERIOD?

Loss or Gain of the Working Classes during the Nineteenth Century.

BY EDITH SIMCOX.

WE can more easily compare the condition of capitalists and employers now and a century ago, than we can the condition of the working classes at the same dates. There must, therefore, be a good deal of guess-work in any attempt to solve the proposed problem, and perhaps also some danger of mistaking guesses for statistical certainty. With this proviso, I am prepared to submit the following answer to the question before us. The chief benefit of the industrial progress of the last century has been reaped—amongst capitalists by the greatest capitalists; amongst employers of labour by the largest employers; in general, by the dealers in commodities (labour included), rather than by makers or producers; and amongst makers and producers, by those engaged in the most skilled rather than the most laborious work. In other words, there is more difference between the wealth and expenditure of a large manufacturer or mill-owner and a small one now than there was a hundred or even fifty years ago; there is more difference now between the owners of one of the colossal clothes-shops of the West-End and the little draper of a county town than there was in the same trade a hundred

years ago; there is more difference between a great contractor and a working builder, more difference between a great banker and his manager and clerks now than there was then; and, finally, there is more difference between the skilled artisan of to-day—an educated trades unionist, politician, and, probably, social reformer—and the residuum of the industrial population, than there was a century ago between the steadiest mechanic and the most loutish labourer.¹ The struggle for existence has been growing fiercer between the members of every distinct class, while at the same time the prizes for exceptional success have increased in value and the penalties for absolute failure in severity. Speaking generally, the rich trader has grown richer, and the poor trader, if he has not grown poorer absolutely, has grown poorer in relation to his wants.

If this be so, it is plain why the unqualified phrase about the rich growing richer and the poor poorer strikes those familiar with middle-class poverty as unreal. Struggling professional and business men are not classed with the poor, and yet they are certainly not growing richer. There is, I believe, a universal consensus of opinion amongst men of business, that it is harder now to make sure of a moderate income than it was fifty or seventy-five years ago, and though a mere impression that the former times were better than these is open to suspicion, it is confirmed, as far as the last forty years are concerned, by the interesting table compiled by Mr. Giffen to show the number of persons at different amounts of income charged under Schedule D in 1843 and 1880 respectively.² From this table it appears that small incomes have increased 300 per cent., moderate incomes not quite 240 per cent., large incomes 400 per cent., and very large incomes 800 per cent. The medium incomes, which in 1843 were nearly 17 per cent. of the whole, have fallen to a little over 13 per cent. The evidence of the

¹ There is one exception—perhaps two—to this rule. The gulf between a bishop and a curate is less wide and deep than it was a hundred years back; and I am not sure that there is any more difference now than then between the highest and the lowest earnings of feminine industry. The proprietress of a fashionable finishing establishment, early in the century, must have realised at least as large an income as the head-mistress of a modern high school does now.

² See Appendix A., p. 96.

assessed taxes is in the same direction, and tends also to show that middle-class poverty is not owing to a numerical increase in that class as compared with the rest of the community,¹ and that the proportion of the population which can be shown by authentic records to enjoy some measure of ease and luxury has not materially increased. The percentage of increase amongst income tax payers is higher than the increase of population, but in all these comparisons we must bear in mind the useful warning lately uttered by Mr. Giffen in the *Times*, that ‘the consideration of amounts as well as percentages is always material, and that to ignore the first element is “to blunder statistically.”’ In 1880, as compared with 1843, we have in England and Wales 10,000 more people with 1,000*l.* a year and upwards, to console us for the additional 9,990,000 who have come during the same interval into the possession of a less gratifying revenue.

In comparing the rate of progress in different sections of the working classes the revenue returns give us no assistance. But it will be admitted that the standard of comfort has risen amongst the well-to-do class of operatives. The *élite* of the mechanical trades—engineers, masons, carpenters, compositors, &c.—when all goes well, can and do provide for their households on a more liberal scale, as regards everything but house-room, than their prototypes at the beginning of the century. Given the great change to town from country life, perhaps it might be said that the home of a steady, skilled, and fortunate artisan would bear comparison with that of the lamented yeoman of old times. *Mutatis mutandis*, the conscious wants are about as well met, and there is therefore progress, as the mechanic of one hundred years ago was worse off than a yeoman. Unstinted food, clothes of the same pattern as the middle class, when house-rent permits, a tidy parlour, with stiff, cheap furniture, which, if not itself luxurious or beautiful, is a symptom of the luxury of self-respect, and an earnest of better taste to come, a newspaper, a club, an occasional holiday, perhaps a musical instrument—these represent the nineteenth century equivalent to the yeoman’s pony, shining pewter, bits of ancestral oak, and homespun napery. The life is more alert, as yet less pic-

¹ See Appendix B., p. 97.

turesque, but excluding none of the possibilities of real civilisation. We may even go so far as to admit that the prosperous operative is better off in comparison with the unprosperous middle-class man than ever before. But we cannot congratulate ourselves on this show of progress till we know to what proportion of the manual labour class this description applies.

Except in the year 1851, the census returns have been ingeniously arranged so as to throw as little light as possible upon the real distribution of the people, and the comparative number of employers and employed. An analysis will, however, be found in the Appendix (B), from which it appears that about twenty millions of the whole population registered for England and Wales in 1881 (25,974,439) must belong to the manual labour class. The remaining five or six millions include, besides the millionaires, landowners and other income-tax payers, the working farmers and tradesmen, petty shopkeepers, governesses, clerks,¹ and small employers of labour; and though actual starvation may be rare amongst these, all the other evils of poverty are familiar to the less fortunate members of every section of the group. If any portion of the community lives in clover at the expense of the rest, it is certainly not so large a proportion as one-fifth of the whole. Half at least of the five millions have as much to gain as the twenty millions by any reformation of the economic order, which will distribute the rewards of industry more equally, and diminish the wasteful fury of competition. Ten per cent. of the population may be interested (pecuniarily) in keeping things as they are; 90 per cent. have more to gain than to lose by change.

If we go back to the beginning of the century, about 2,000,000 (one-fourth of the population) lived in what are now urban sanitary districts with a population exceeding 50,000. Certainly a good deal over half the population then lived under what would now be called rural conditions, while less than two-fifths can be said to do so now. In 1801, then, we may

¹ It appears from a recent newspaper correspondence, that clerks in the employment of important companies are so badly paid that, like the Government officials of half-barbarous countries, such as Turkey and Russia, they cannot maintain a family unless they eke out their meagre salaries by peculation.

reckon 4,000,000 townsmen against 16,000,000 now. I do not propose to quote Mr. Ruskin or anyone more poetical than the Registrar-General, as to our gain or loss from this single change. The difference between the rate of mortality in town and country is such, that, in the course of the present century,¹ in England and Wales one million deaths are to be attributed to that cause alone. And these deaths are but a symptom. The towns have no monopoly of hovels or typhoid fever. What, then, must be the conditions of labour which are actually more fatal to life than the miserable existence of a farm labourer with a family to rear on 10s. a week? We know roughly what that lot involves, in scanty food, rheumatism, and brutalising hardship, and we have to realise that the life of the average townsman is physically harder, more exhausting and more distressing to flesh and blood, than that of the agricultural poor. Moreover, for every death due to preventable causes there is much illness not at once fatal, and for every disabling illness much previous pain and discomfort, all of which sickness and suffering must be added with the million deaths to the debit account of our material progress. So must all the deaths due to the different duration of life in different classes, which has allowed it to be said that one generation of masters wears out three generations of men.

It may seem inconsistent with the comparatively favourable record of rural districts, in regard to health, that the stronghold of pauperism has always been in them. But, though it is not possible to exaggerate the degrading effects of the old Poor Laws, the injury and suffering caused by them was moral rather than physical. The pauper labourer became servile, helpless, and apathetic, but he had enough to eat, and did not work too hard for his health. He got subsistence wages, though they were paid on a false base, and these subsistence wages could be got by any necessitous person who chose to claim them. Hence, in comparing the beginning of the century with the end, we must remember that pauperism and poverty were more nearly co-extensive terms in 1800 than in 1880. The comparative diminution of pauperism is a good thing, but we cannot

¹ Appendix C., p. 100.

argue from it to a corresponding diminution of poverty. The condition of the agricultural labourers has probably been more stationary than that of the town workers, and as their numbers also have been comparatively stationary, I will not linger on the question of their gains or losses, though a passing reminder may be permitted that their numbers are under a million, so that if the seven million acres of common land enclosed between the beginning of the eighteenth and the middle of the nineteenth centuries were now open to their use, after allowing for the claims of other commoners, there would be an average of some five acres a-piece to every labourer: how many cows, pigs, geese, ducks, and other live-stock might graze upon the five million acres I will leave it to statisticians to determine. We have unfortunately to do with what is, not what might have been.

The total number of paupers relieved in 1882 is given as 803,381, or 3·1 per cent. of the population; but this is no measure of the abject poverty existing at the same time. More than 10 per cent. of those who die in a year, die in work-houses or hospitals,¹ and this mortality represents a population of two and a half millions; so that nearly three and a half millions of the population are either actual paupers, or in such poverty as to have been driven across the borders of pauperism by illness. If we allow also for those as poor as the last class who for the moment escape disabling sickness, to say nothing of those maintained by private charity, we cannot set the number of the poor who live miserably upon the verge of pauperism at less than five millions, or more than half the whole population at the beginning of the century. The country workers number perhaps another five millions, whose life, though hard, is a degree less poisonous than that of the townsmen.

There remains to be considered the condition of some ten millions of town workers, including all mechanics and labourers whose life is not normally overshadowed by the fear of 'coming on the parish.' No hard and fast line can be drawn between the workers who are and those who are not to be counted amongst 'the poor'; there is a constant flux, and besides those

¹ Appendix D., p. 101.

who suffer from chronic underpayment, artisans, as well as tradesmen and rustics, are constantly sinking, with or without their own fault, into the depths of misery.¹ It is not easy to judge how many of the ten millions do or might belong to the prosperous aristocracy of the working classes, that section with which politicians come in contact, and from whence come those whom society is rather over-hasty to welcome as 'representative working-men.' A few years ago Mr. Howell estimated the total number of trades unionists at about 1,250,000, and unionism has not been making rapid progress since then. The trades unionist is better off than the outside workman; his wages not unfrequently average a shilling or so higher, he has more facilities for obtaining work, and usually receives both sick and out-of-work pay; but there is no hard and fast line between society and non-society men; many a man drops his subscription when times are bad, and if there are workmen outside the trade societies who are as well off as any unionist, there are plenty of unionists who feel the pinch of want; the society money is a poor substitute for wages, and even that is not continued indefinitely. I confess I should hardly venture to hope that more than two millions of skilled workers, representing a population of five millions, are living habitually in a state of ease and comparative security of the modest sort indicated above. The other five millions include the labourers and less skilled workers, male and female, whose maximum wages only suffice for the necessities and the barest decencies of existence, and for whom, therefore, any mischance means penury, passing swiftly into pauperism.

I am aware that writers of eminence have sketched a more rose-coloured picture of the positive and comparative estate of the working classes. Mr. Dudley Baxter in 1867 and Mr. Leone Levi ten years later, and again to-day, by the aid of some conjectural statistics, have estimated the collective income of the manual-labour class at an imposing total of millions sterling, which, divided by the total number of workers, and multiplied by two (because there are on an average two workers to a household), gives, according to the former, an average income

¹ Appendix E., p. 101.

to each working-class household of about 25s.;¹ say 1*l.* a week earned by the man, and 5s. by wife or child. Now, considering that to give even this average there must be, for every family with the moderate collective income of 3*l.* 5s., two families starving upon 5s., I might accept these figures as they are, and find in them a text for anything but cheerful considerations. But there are reasons² for thinking that (a) the rate of 'average' wages has been fixed too high in these calculations; (b) that allowance enough had not been made for loss through illness, and want of work, which alone would swallow up the 20 per cent. deduction contemplated by Mr. Baxter, or for the excessively low wages earned by some classes of workers.³

But, whether things are a little better or worse now, it may be said that they are better than they were. England was certainly not an industrial paradise fifty years ago, and I have no wish to understate the gain of the minority who have gained something in the industrial struggle. I will admit that wages have risen 50 per cent. in the last forty or fifty years. Let us see how much of this is pure gain. How much does the workman keep, and how much goes in increased rent; and is

¹ The average earnings of the Peabody tenants, a picked class, is 1*l.* 3s. 8*d.* See also Appendix G., p. 103.

² Appendix F., p. 101.

³ A new report has just been compiled by Professor Leone Levi, which gives the average income of each working class family at 1*l.* 12s.; but it would be premature to criticise this conclusion till the materials upon which it rests have been made public. To explain some of the discrepancies between his conclusions and those presented here, it may be observed that he puts the working class population at 70 per cent. instead of 75 per cent. of the whole, while two curious particulars augur ill for the convincing nature of the promised details. It is stated that, 'in the case of domestic servants, factory labourers, and others, persons of 15 years and upwards usually earn full wages.' This will be surprising to employers of 'domestic servants and others.' The other statement, which is surprising in another way, is that the average earnings of 'males under 20,' are lower in 1884 than 1867. The effect of the Education Acts in discouraging the employment of small children at nominal wages, has been to raise (in many cases as much as 300 per cent.) the wages earned by boys on first going out to work; and even if the wages of youths between 15 and 20 had not increased proportionately, it is inconceivable that there should have been any falling off in the two classes together. On the other hand, the average earnings per head of all workers ought to have risen slightly to make up for the reduction in the number of children returned as workers, but receiving only trivial sums.

employment at the higher rate as continuous as it was at the lower? Again, not to weary you with minute figures, I will refer to the appendix¹ for evidence that in London at all events, three-fifths of the increased wages go in increased rent, leaving a bare increase of 20 per cent. in the workman's hands. As to the second point, I do not think there is any exact statistical evidence in existence, but we have seen before that statistics when available bear out any general impression based on a candid inspection of social records. A century ago yearly hirings were common; they are now virtually unknown; engagements by the quarter, the month, the week, and the day, have superseded them; within the last half-century hirings by the hour have been introduced,² with the intention and the result of transferring the cost of the delays and loss of time, which are inevitable in all business, from the shoulders of the employer to the workman. I do not say that such engagements are unfair or otherwise objectionable, but I do say that for real wages to remain the same, nominal wages must be higher to make up for this special source of loss. So with weekly wages, if farmers and even country gentlemen turn off their labourers at the beginning of winter, the men must either have their summer wages raised or desert a calling that will not maintain them all the year round. The case of all season trades is similar, and in any trade in which work may be slack for three or six months of the year, wages, while obtainable, ought to be proportionately above the average. It has been stated that the employment of dock labourers is much less continuous than it used to be, shippers being in a greater hurry to unload, so that one day all applicants may be employed, and the next few or none. If this be so, the wages of the class have fallen, though the price per hour is the same. It is needless to say that wages are not in fact highest in the trades where work is most intermittent.

The tendency of which engagements by the hour are a sign, to run every bargain as fine as possible, has a good many other effects. As long as human beings are in close personal relations, a certain degree of kindness grows up. But the enlarged

¹ Appendix G., p. 103.

² Appendix H., p. 106.

transactions of the present day cause employers and employed to be separated by such a ladder of intermediaries that the real employer is able to ignore things done in his name and in his interest which he would be incapable of doing himself.¹ Men who would not dream of offering starvation wages to a kitchen-maid, or even to a clerk, acquiesce resignedly in the supposed necessities of the market, which involve the cutting down of prices to a point only reconcilable with the bankruptcy of the dealer or the starvation of the worker; and as they do not intend to become bankrupt, they do intend to starve their fellow-citizens—beginning, I must admit, with the women. If you reason with a good-natured employer of this class he says, 'What are we to do?' Glasgow talks about the cheap labour of London, and London of the cheap labour of Belfast, and each employer justifies himself by the example of the rest. *Il faut vivre*, they say. By all means, only why not begin by letting the needlewoman live? Can men have a right to do in numbers what they would not even wish to do singly?

Again, in a small community, when services are rendered directly from man to man, the principle of every one for himself would not prevent, say, a gentleman, whose stable had caught fire, from feeling bound to provide for a groom or labourer who was disabled in extinguishing it. The ethics of the market recognise no such responsibility,² and thus the cost of all the countless accidents, which are an inevitable accessory of our crowded civilisation, is cast exclusively upon the poorest members in the industrial partnership. In every business in which accidents occur the loss they entail is a part of the working expenses of the concern, yet we require that the manual workers shall not only incur the bodily risk, but also the pecuniary cost. Even the demands of the workers themselves do not go beyond compensation for injuries caused by the direct default of the employers. In the same way the cost of commercial crises is cast on the operatives, though the crises are caused by over-speculation, which is stimulated by over-accumulation, which is rendered possible by the antecedent under-payment of labour. When all goes well, the workman

¹ Appendix L, p. 106.

² Appendix K., p. 107.

may live, in no more than decent comfort, but there are too many chances against him. Untimely death, sickness, want of employment, reduced wages and industrial accidents, affect so many that the exceptions to the rule that an honest worker need not starve are so numerous as to form a class counted by millions. I do not mean to say that all poverty is innocent, but I do believe that there is as much vice descended from blameless poverty as there is poverty descended from blameworthy vice.

I am not asked to propose a remedy for existing evils, but to draw up an indictment against the existing social order is of little use, if its evils admit of no remedy. As I do not believe in a gospel of despair, perhaps I may be allowed a few words to explain why it does not seem chimerical to hope that the benefits of industrial emulation may be secured without the evils of reckless competition. Under the *régime* of armed force, the feeble commonalty were driven to 'commend' themselves to some lord who would protect them against all oppression but his own. The modern capitalist is equally master of the situation in regard to the working class, each of whom, to earn a living, must enter the ranks of the 'employed.' The 'man' of the feudal lord had to fight for his master, the 'man' of the capitalist must work for his. But the king's peace was established at last between fighting barons; why should we despair of establishing the people's peace between fighting capitalists? It is true that the barons died out when they ceased to fight, and we do not regret them. They made way for the larger, more civilised middle class, which has practically governed the country since the Civil War. If capitalists ceased to fight for each other's spoils, perhaps they might enjoy the same euthanasia; but we should be consoled for this too, if the despotism of money made way for an industrial system demanding fewer victims, and administered amicably by the whole people in the interests of all classes alike.

The root of the difficulty is that our numbers have grown faster than our knowledge or feeling of the obligations imposed by social co-operation. It is troublesome to trace the indirect consequences of our personal actions, and we disclaim responsibility for the effects produced out of sight. But in the

medley, consequences are apt to get shifted on to the wrong shoulders, and the more we look at the industrial world, the more clearly does it appear as a harvest-field for the gathering of those who have not strawed. In a complex social state men's fortunes are not determined simply by their own doings and deserts. The individual capitalist has not acquired solely by his own merits or industry the wealth standing in his name; the individual pauper has not lost solely by his own guilt or indolence the means of independent existence. Society has helped the capitalist; it has kept alive for him a supply of cheap labour and skilled labour, sufficient to produce a surplus beyond his wants—however lavishly conceived—available for accumulation; society protects his accumulations, and has determined (especially since the accumulations became large) that they shall be practically exempt from taxation.¹ Society has not helped the pauper. In modern England it has given the poorest class a smaller share than anywhere else of common property to eke out the earnings of unskilled or unlucky labour, and it has put the labour market at the mercy of speculation.

A social war would not right the wrongs which a state of social or economic war has produced; but a revolution may yet be effected in the minds and consciences of the community, which will find its expression in a radical reformation of the theory and practice of the economic world. What we want is, on the part of the many, more wisdom in discerning, more firmness in demanding, their just rights; on the part of the few, more wisdom in discerning, more courage in discharging, their just obligations. Each step forward on either side will make the next step easier for both, and as the few and the many draw together, the distinction between the two classes will cease to be that between workers and spenders. There will always be a few whom the democracy will delight to honour above the rest, but these few will be those whose services to the common good outweigh and outnumber the services of their fellows, not those whose only cleverness is to have appropriated to themselves the largest share of the collective earnings.

¹ To 'tax capital' is to discourage commercial enterprise.

APPENDICES.

A.

INCOME AND EXPENDITURE OF THE UPPER AND MIDDLE CLASSES
SINCE 1800.

Between 1841 and 1881, the population of England and Wales increased 40 per cent., and the numbers of taxable incomes had increased some 300 per cent., a strong proof, it might be supposed, of the increased diffusion as well as the growth of national wealth. But if we divide these incomes into three classes, representing, according to the current ideas of income-tax payers, respectively poverty, competence, and wealth, we reach the conclusion given in the text. Incomes under 500*l.*, represent what is considered genteel poverty; these incomes have more than trebled; incomes between 500*l.* and 5,000*l.* represent different standards of competence; these have more than doubled; incomes from 5,000*l.* to 10,000*l.* represent wealth, and these have about trebled; incomes between 10,000*l.* and 50,000*l.* have nearly quadrupled, and the number of millionaires with incomes of 50,000*l.* and upwards have increased eightfold: this only means an increase of 60 in the number of millionaires.

Incomes between—

£		1843	1879-80.
150 and	500 .	87,946	274,943
500 „	5,000 .	17,990	42,927
5,000 „	10,000 .	493	1,439
10,000 „	50,000 .	200	785
	over 50,000 .	8	68
	Total .	106,637	320,162

It must be remembered that incomes of 300*l.* to 500*l.*, represented more ease in the forties than in the eighties; and also that the diminution in the proportion of larger, but still comparatively moderate, incomes, has taken place in spite of the tendency to divide large fortunes made in trade amongst the children.

Other indications show that, taking the nation as a whole, expenditure on superfluities is not gaining ground as fast as might be expected from the growth of the national income. In 1841 the number of female indoor servants employed was about 1 in 15 of the population; in 1881 the number of indoor servants, both male and female, was 1 in 22. The proportion formerly prevailing for the whole country was only reached in London, the great centre of

residence for the money spenders of the whole kingdom. Of these so-called women servants nearly 100,000 are under 15, so that the list includes every girl who minds the baby in households little richer than her own. In 1831, the maidservants were about 1 in 14. Before that date we have no complete record; Pitt's unpopular tax on maidservants was assessed on 90,000 households, but girls were exempt, so that it is impossible to estimate the number of women-servants as accurately as the men: the latter, however, is a better measure of wealth. All our authorities for the social life of the 18th and early 19th centuries, agree in indicating that household establishments generally were on a larger scale in proportion to income than they are now.¹ In 1812, out of a population little over 10 millions, taxes were paid for 295,854 men employed in domestic and other services, a number exceeding that given in the last census (244,391) for a population 60 per cent. larger; and the decrease is mainly in the number of indoor servants, kept from fashion, luxury, or ostentation. The increase in the number of persons paying tax on armorial bearings has just about kept pace with the increase of population.

B.

AGE, SEX, AND EMPLOYMENTS OF THE WORKING POPULATION.

In the first census of 1800 the only distinction drawn is between 'persons chiefly employed in agriculture' (1,713,289) and those employed in 'trade, manufactures, or handicrafts' (1,843,353)—in all, 3,556,642 employed, and 4,873,103 children, women, and persons living on their means without work. In 1811 and 1821 the classification is by families:—

	1811	1821
Agricultural . . .	697,353	773,732
Manufacturing . . .	923,588	1,118,295
Others . . .	391,450	454,690
Total . . .	2,012,391	2,346,717

In 1831 a separate account was given of the 'occupiers of land,' of whom 144,600 did, and 130,500 did not, employ labourers. In the same year a fresh heading was given of 'capitalists, bankers, professional, and other educated men,' who numbered 185,187, or with the employing occupiers, 329,787. In 1851 there were, in round numbers, 133,000 farmers employing labour to 87,000 master manufacturers and others doing the same; the proportion of indus-

¹ In other words, large and moderate incomes served to maintain directly a larger proportion of the population than now.

trial employers would naturally be smaller at the earlier date, so 400,000 would be a fair total for the moneyed, professional, and commercial classes. When shopkeepers and unclassified avocations are added, there is no reason to doubt that all these with their families formed, in 1831, as large a proportion of the whole community as that assigned by Mr. Dudley Baxter in 1867 to the upper and middle classes—viz., 5,000,000 out of a population of 21,000,000, or rather less than a quarter of the whole.

In 1851 (and unfortunately not since) ‘masters’ were requested to return themselves as such, stating the number of men they employed. The result showed 129,002 masters employing 727,468 men; of the former 41,732 employed no men, the remaining 87,270 averaged 8·3 men each. More than half the men (378,127) were employed by masters with 30 or more men, and more than a quarter by 752 masters who had 150 men or more. 1,142 might be called ‘large employers’ with 100 hands and upwards. Out of a total of 225,318 farmers (to 665,651 labourers) 91,698 employed no labour; and 2,073 might be called ‘large farmers’ employing 20 or more labourers. Since 1851 this useful kind of information has been withheld, and we have instead an elaborate classification of persons ‘working and dealing’ in all sorts of animal, vegetable, and mineral substances. It is, therefore, impossible in the returns of the last census to distinguish clearly between workers and dealers, or between master manufacturers and their employes. The number of farmers has fallen off, and the proportion of masters to men in other callings has certainly not increased. It has probably diminished very much, as the average number of hands to an inspected factory (of which there were 6,703) in 1878 was 158, while in 1851 only 752 masters employed over 150. We shall, therefore, certainly not be understating the numbers of the employing class if we suppose it to have increased since 1831 at the same rate as the population, or about 50 per cent. The number of shopkeepers has to be arrived at also by inference and comparison, but the analysis, which was begun without any *parti-pris*, has led to a result so nearly resembling that of Mr. Dudley Baxter, that the details would probably be accepted by any one to whom that gentleman’s conclusions appeared satisfactory. The total population of England and Wales is made up as follows:—

Men and boys following some occupation	. . .	7,783,646
Women and girls	” ” ”	3,403,918
Unoccupied (including all young children)	. . .	14,786,875
Total	. . . . .	<u>25,974,439</u>

The number of what may be called middle-class workers may be analysed as follows :—

MEN	
Professional	265,000
Clerks, &c.	250,000
Farmers	200,000
Manufacturers (large and small)	360,000
Warehousemen, shopkeepers, hotel-keepers, and dealers in drink	750,000
Sundry self-employed workers and all not otherwise classed	370,000
WOMEN	
Professional	200,000
Commercial, &c.	150,000
Total middle-class workers	<u>2,445,000</u>

Retaining Mr. Dudley Baxter's proportion of 2 workers to 3 dependents in this class, this will give us a working middle-class population of 3,667,500. To this must be added the 'unoccupied' class, containing

Men	180,000
Women	<u>550,000</u>
Total	730,000

A larger proportion of dependents may be allowed in this class notwithstanding the smaller average size of families; if we allow 2 to 1 instead of 3 to 2 the total middle-class population will be 5,127,500, and if we allow 3 to 1, 5,757,500—in any case between 5 and 6 millions.

Belonging to the wage-earning or manual-labour class there are rather over $5\frac{3}{4}$ million men and boys, and over 3 million women and girls. Not quite half a million of these are children under 15. Of the men about half are labourers or in some kind of service (road, railway, &c.), the remaining half are miners or follow some kind of trade, or the miners may be taken separately at half a million, leaving the labourers as the largest class. About half of the 3 million women are engaged in domestic and half in industrial work. The proportion of dependents to workers has increased, doubtless owing to the effects of the Education Acts in discouraging the employment of very young children, so that the $8\frac{3}{4}$ odd millions of manual workers represent not $17\frac{1}{2}$, but somewhat over 20, millions. The number of married women who work seems to correspond roughly with the number of single women who do not work. Out of the $4\frac{1}{2}$ millions of working-class

families probably three-quarters of a million depend upon the labour of a working mother (widowed, or otherwise thrown on her own resources), at least half a million partly on the labour of a working wife, whose earnings go to supplement her husband's, and half a million, as already stated, on the labour of children under 15 whose earnings go to supplement those of one or both parents. If we allow also for the unmarried adults who are counted as separate occupiers, it will be seen that not more than half the whole number of working-class families are maintained by the labour of the father assisted only by elder children.

C.

COMPARATIVE MORTALITY OF RURAL AND URBAN DISTRICTS.

In 1837, when the population of London (with $\frac{1}{100}$ of the area) was almost the same as that of the five south-western counties, the mortality was 53,597 against 34,074. The same districts in the following year showed a difference of nearly 30 per cent. against the capital, and the mean duration of life varied as from 37 in town to 50 in the country. A similar comparison between various urban and rural districts showed the number of septuagenarians to vary from 53 per 1,000 in Manchester to 210 in the Lake district. In 1851 the deaths per 1,000 averaged 24.9 for urban and 19.5 for rural districts, while the mean duration of life was 45 years in Surrey, and 25 in Liverpool and Manchester. In 1881 for an urban population of $15\frac{1}{2}$ millions it was 20.3 per 1,000, and for a rural population of $10\frac{1}{2}$ millions it was 16.8. The discrepancy between the two rates has been reduced, but the result is much the same when the smaller percentage is taken on the larger number. If the whole mortality of the century is put at 30 millions, and a mean 5 per cent. allowed on two-thirds of it for deaths, due simply to the mortality of towns, we have the record of 1,000,000 lives—twenty times the whole present annual mortality of England and Wales—sacrificed to one single incident of the progress of our industrial civilisation. The meaning of these figures will be better realised when it is stated, as the result of inquiries made in various elementary schools and answered by between 6,000 and 7,000 children, that 14.5 per cent. of the children had lost either father or mother, *i.e.* that 96 in every thousand are fatherless and 49 in every thousand motherless. The fault lies, not in the towns, but in the conditions of town life for the poor; in the Mayfair sub-district of S. George's, the last recorded rate of mortality was 11.34 per thousand, while that for the whole parish was only 15.7, or less than the general rural rate.

D.

MORTALITY IN WORKHOUSES AND HOSPITALS.

In 1881 the deaths in workhouses, hospitals, infirmaries and public lunatic asylums—excluding prisons, almshouses, schools, private lunatic and benevolent asylums—were 53,187 out of 491,935—or over 10 per cent. of the total mortality of England and Wales. Of this 7 per cent. took place in workhouses, 2·8 per cent. in hospitals, and 1 per cent. in asylums. If we put the mortality at 20 per 1,000, the families connected with those who thus die in public institutions would number 2,659,300, or supposing the mortality to be higher in this class, there is at least a population of 2½ millions presumably in direct contact with public charity besides the three-quarters of a million persons in health who receive parish relief indoors or out. The increase in the number of workhouse inmates as shown by the census is about equal to the general growth of population between 1851 and 1881; the inmates of hospitals and lunatic asylums have increased more than in proportion, but this only indicates a larger provision for existing evils, not necessarily an increase on the evils themselves.

E.

PAUPERISM NOT RESTRICTED TO ANY CLASS OR CALLING.

The report of a refuge published the other day enumerated amongst the persons sheltered, graduates of a university, a B.A., doctors, men of business, a builder, chemists, accountants, clerks, engineers, watch-makers, jewellers, compositors, governesses, dressmakers, milliners, mantle-makers, &c., and it is only a fair sample of such records.

F.

THE RATE OF WAGES.

Mr. Dudley Baxter's total is arrived at by taking a supposed normal or average rate of wages in each important industry, multiplying by the number of persons returned under that head at the census, and knocking off 20 per cent. for all causes of loss, want of work, sickness, or low wages. It is assumed, that is to say, that every man working at a trade in which a man, when at work, may ordinarily hope to earn 1*l.* a week, does actually earn not less than 4*l.* 10*s.* in the year, or a real average of 16*s.*—and the whole structure rests on this hypothesis. According to Sir Andrew Clark, the loss of time from sickness averages 9 days per annum among members of benefit societies; the army and navy show nearly double that, and allowing for absences too short to make it worth while for the

member to 'go on his club,' a fortnight's loss from this cause would probably be the average *minimum* in the picked and provident class; a reduction in the average wages of 4 per cent. must therefore be made on account of sickness only. The loss of earnings from 'out of work' is more incalculable. Naturally many men return themselves as 'unemployed' at the census; but as this circumstance has nothing to do with any animal, vegetable, or mineral substance, it is put aside as unimportant, and all who are out of work are nevertheless complacently registered as 'working or dealing' in one of the favoured elements. The out-of-work benefits paid by trade societies cannot be relied on either, as their rules vary; while the unionists are not only a picked minority, like the members of benefit societies, but also belong, as a rule, to trades in which employment is less precarious than in the ranks of unskilled labour. Falling back on common experience, it would certainly not be an exaggeration to say, that at any given time for one family in distress owing to the illness of the bread-winner, there are three in distress owing to the want of work.¹ At this rate, Mr. Baxter's 20 per cent. would be swallowed up by these two causes only. But we have also to allow for money not earned owing to untimely devotion to S. Monday; for economists must not, at the same time, scold working-men for wasting their time and for wasting the money which the waste of time has prevented their earning. I will not attempt to estimate the loss from this cause; but it is certainly large, and promoted by all the social evils which promote intemperance and improvidence. But the most important element of all is simply the prevalence of low wages, the immense variation of earnings between persons working nominally at the same trade. Mr. Baxter recognised this expressly in the case of

¹ Since the above was written, I have had access, through the kindness of Mr. Eric Robertson, to returns made by a number of Board School teachers respecting the number of children whose parents were out of work. Out of 6,438 children questioned, 1,299, or over 20 per cent., had fathers out of work; and this is an under-statement rather than not, as the whole number of children in the infant school is included, though many of the younger ones were naturally unable to answer the question, and no mention is made of widowed mothers out of work. The return was prepared about midsummer, when the proportion of the unemployed is at its lowest. Quite recently one of the by-laws officers of the School Board reported that 25 per cent. of the fathers of children attending a Lambeth school were out of work, and 18 per cent. had no regular work at any time. And a similar report respecting an Islington school, in the *Sanitary Record* (January 1885), gives 30 per cent. as the number of children whose fathers have 'little or no work'; 25 per cent., therefore, is a moderate estimate for the average proportion of the very poor out of employment, and, considering the numbers of this class, 15 per cent. is obviously a very moderate estimate for the average number of unemployed throughout the country.

London dock-labourers, silk weavers, and sloop cabinet-makers, whose earnings, he knew, often did not exceed 5*s.*, 6*s.*, or 7*s.* 6*d.* weekly; but his calculations made no allowance for this fact. There is no sufficiently large class of, *e.g.* cabinet-makers, earning 3*l.* a-week to make up for the large class liable to earn 7*s.* 6*d.* The number of workers who get materially more than the normal standard of the trade is always small; the number earning materially less is always very large. The real average wage even of those at work is, therefore, much below what is set down as the current rate in the trade; and we should therefore take more than 20 per cent. off a much reduced total to get at the real gross earnings of the class.¹

But though the statistics of different dates respecting current wages may be all alike misleading as a guide to real net earnings, if they err in the same way, a comparison between them may give a fair indication of the rate of progress. So it is possible enough that the ordinary rate of wages for carpenters, masons, bricklayers, and miners may have risen, as indicated in Mr. Giffen's table.² The exact average for these trades is 57 per cent. In the cotton trade before the Factory Acts, the employment of children had brought wages down to starvation point, and the fact that this evil, after reaching an intolerable height, was reduced by legislative and other influences, hardly justifies our quoting as progress the change from things when at their worst. Mr. Giffen adds a further 20 per cent. to the workman's earnings on account of the reduction effected in the hours of labour, but leisure and income are not quite the same, and a retired capitalist does not count as property the profits he might have earned by continuing in business, so I have only taken account of the money gained.

G.

COMPARATIVE RISE OF RENT AND WAGES.

In 1840 a report was published in the Journal of the Statistical Society, giving the results of personal visits and inquiries at over

¹ In Porter's *Progress of the Nation*, real average earnings are given in the case of a few factories and foundries; but few employers are willing to give this kind of information, and it may be taken for granted that any who give it do *not* give the lowest rate of wages. To illustrate the difference between the average wages, estimated in good faith, and the real average earnings, I may quote two pieces of information given by the manager of a Scotch factory employing 2,000 hands. In answer to a question about the women's earnings, my informant was told: 'Oh, they earn about 10*s.* or 11*s.*' It was also stated that the weekly wages paid came to 800*l.* or 900*l.*: say 850*l.*; and divide by 2,000, and we get a real weekly average of 8*s.* 6*d.*, or 25 per cent. less than the lowest estimate of the average standard rate.

² *Progress of the Working Classes*, p. 5.

5,000 working-class dwellings in the neighbourhood of Tothill Street, Westminster. It might have been written yesterday as regards everything except the rents of the tenements described. Nearly four-fifths consisted of single rooms, with rents ranging apparently from 9d. to 3s. 6d. weekly; one-fifth of two rooms, rents mostly between 3s. 6d. and 5s. 6d., and an insignificant minority of three and four rooms, with rents from 5s. 6d. to 8s. 6d. The dimensions of most rooms were twelve feet by fourteen, or less. The average rental for the lot was 2s. 11d. It may be taken for granted that the average earnings of workmen in Westminster were not then as low as 12s. a week, and at that time therefore less than a quarter of the wages went in rent. A somewhat similar inquiry was undertaken by the *Pall Mall Gazette* a year ago in another part of Westminster (the neighbourhood of Berwick Street, Soho): 763 tenements were visited in 164 houses, the sanitary condition of which was classified as follows: thirty-three good, fifty-one passable, fifty-six bad, and twenty-four abominable. The rents of these dwellings, half of which were materially unfit for habitation, averaged 4s. 9d. for single room tenements, of which there were 376; ¹ 7s. 6d. to 10s. was the common rent for two rooms, the second often little more than a cupboard. The highest rent given for three- or four-roomed tenements is not mentioned, but 1l. a week for such accommodation is by no means uncommon (I have known of 7s. 6d. and even 10s. being paid for a single room). If we suppose the two rooms to average 9s. each, and the sets of three or four rooms 15s. each, both of which are moderate estimates, the general average rental would be 8s. 2d., or nearly three times as much as that recorded forty years before. Now supposing the average wages of the tenants had risen 50 per cent., say from 18s. to 27s., the available income will only have risen from 15s. 1d. to 18s. 10d., or about 20 per cent. The rents in Soho are, it is true, exceptionally high, but, on the other hand, the proportion of skilled workers is also above the average, and I have therefore put the earnings above Mr. Dudley Baxter's otherwise questionable figure.

This proportion between wages and earnings is not peculiar to the West of London. It is not true that the working classes prefer herding together in over-crowded dens; and the proof is that where rents are lower than here, the people do not spend a smaller proportion of their wages in house-rent, but they occupy more rooms.² My

¹ Widows maintaining a family by their work are particularly numerous in Soho, and more than a third of the occupants of single rooms are described as laundresses, charwomen, and seamstresses.

² Inquiries made in twelve schools, of nearly 8,000 children, showed that 26.6 per cent. were living in single rooms; but that this overcrowding is a

own experience had led me to this conclusion, and it was entirely confirmed by figures kindly communicated to me by Mr. T. Marchant Williams, whose letters to the *Times* on the over-crowding of the poor will be remembered, and whose position as an officer of the London School Board gives him peculiar facilities for arriving at the truth. In the poor part of Finsbury, to which his inquiries referred, rents are lower than in Soho, and accordingly, out of nearly 1,000 tenements examined by him, nearly two-thirds consisted of two or three rooms, and only one-third of single rooms. The rents ranged from 1*s.* for a single room (a figure now unknown in Westminster) to 18*s.* for three rooms, with an average of 3*s.* 6*d.* for one room, 6*s.* for two, and 7*s.* 6*d.* for three. Of the tenants of these rooms 46 per cent. (nearly half) paid from one-quarter to one-half of their wages in rent, 42 per cent. paid from one-fifth to one-quarter, and only 12 per cent. paid less than one-fifth. The average rental paid was 5*s.* 6*d.* The actual rent of the Soho rooms was about 30 per cent. of the estimated wages, and the actual proportion of rent to wages, as stated in Finsbury, cannot give a lower average percentage than that. We thus learn indirectly that the wages of the workers¹ occupying these 5*s.* 6*d.* apartments average about 17*s.* weekly, of which 11*s.* 6*d.* is available for food, clothes, fire, and all other necessaries. Obviously the increased rent must make as large a hole in whatever increase of wages there may have been in North London as it does in Westminster. Nor is the east more fortunate than the west and north. There is a street full of many cottages off Whitechapel Road known as Plumber's Row, mainly inhabited by working tailors; the cottages consist of three dilapidated rooms with a half-underground kitchen and sometimes a workshed in the back yard. The rent of these *cottages ornés* is 1*l.* a week, and the inhabitants are not worse off than their neighbours; in fact, generally the inhabitants of the slums pay about as much per cubic foot of living room as the inhabitants of Eaton Square. Rents in Southwark are nearly as high as in Westminster, while wages are lower.

These rents have a double influence in reducing wages, for the employer of labour has to pay at the same rate, and therefore has question of rent was clearly shown by the fact that in the comparatively suburban region of Deptford, at one of the poorest of the schools examined, the percentage was only 13·7, whereas, in three neighbouring schools in the heart of London (Vere Street, Tower Street, and Drury Lane), the percentage was 51·4. In one department of one school, three families of nine persons were reported as occupying each a single room.

¹ Costermongers, cobblers, tinkers, widows, and itinerant street sellers of all kinds, form nearly half the population of the district to which these figures refer.

the less to spare for his workers' wages. The tailors who pay 1*l.* a week or more in rent are little working masters employing five or six hands, and if the accommodation they get were valued by its quality instead of its scarcity, these rents would be at least halved, leaving an extra 2*s.* weekly available for every worker employed. This rent question affects our calculations about the distribution of the national wealth in yet another way. Most statisticians take the rateable value of house property as a guide to the rental,¹ and suppose the working classes to occupy the low-rented houses. Mr. Leone Levi considers with truth that 12 per cent. of the income is a reasonable amount to spend in rent, and he concludes that something like this proportion is approximately spent by the working classes because the estimated rental of houses under 20*l.* comes to something like the same as 12 per cent. on the estimated collective income. But in the statistics of the *Pall Mall Gazette* the actual rental and the rateable value of the tenement houses in Soho are given in twenty cases in which the rental ranges from 234 to 307 per cent. of the rateable value. These are extreme instances, but tenement houses are the rule in large towns, and it is the rule for the rental of such houses to exceed the rateable value—by any amount up to 300 per cent.—as well as for the rateable value to exceed 20*l.*

H.

HOURLY HIRINGS.

Sir Henry Cole boasts, as an economical public servant, that in 1848 he introduced the plan of paying bookbinders by the hour, much to the satisfaction, he observed, of the Treasury, as it 'gets rid of loss of time and superannuation'; and he claims that this example helped to introduce the same system in the building trades.

I.

STATE HOUSEKEEPING.

The most flagrant example of 'political economy' or State housekeeping run mad, is afforded by the War Office and other departments of the Government as employers of labour. Gentlemen, very likely incapable in their private capacity of refusing to give 'a fair day's wages for a fair day's work,' conceive it to be their duty as public servants to have the clothing of soldiers, sailors, and policemen made by contractors who can only compete successfully with a Government factory by subletting at prices which make army

¹ *Work and Pay*, 1877.

contract work a by-word as a trade of the destitute. If by the help of the pauper labour of starving women, the contractor is after all able to undersell the factory, our administrators think it statesmanlike to assume that the factory pays too much; how little it sometimes pays may be seen in the *Women's Union Journal*, Dec. 1884, where a statement that women in the Army Clothing Factory earned 7s. or 8s. a week, is corrected by the account of six weeks' actual earnings, averaging 4s. 7½d. Of course machinists and other skilled hands fully employed earn more than this.

K.

EMPLOYERS' LIABILITY.

An appeal was lately made by Mr. Frederic Harrison on behalf of workmen injured while removing a dangerous wall after the fire at Mr. Whiteley's in Westbourne Grove. The contractor by whom they were employed refused compensation, and appealed against a verdict which gave the men 20*l*. The contractor was very likely in no way to blame for the fall of the wall, and if so, the men injured in rendering a direct service to the public, have no remedy. Even the insurance offices would rely on the unhealthy state of public feeling, and not allow Mr. Whiteley to count among his losses through the fire, proper compensation to the men who helped to minimise its destructiveness.

Loss or Gain of Labourers in Rural Districts.

BY W. SAUNDERS.

As it would be impossible to include in one brief paper all the points that must be raised in the consideration of this question, I propose to confine myself mainly to the condition of the agricultural labourers and small working farmers in a district of Wiltshire with which I have been personally acquainted for the last fifty years.

The wages prevailing in 1835 were 7s. per week, with certain allowances from the parish for men with large families. Meat and potatoes were then half the present price. Bread was the same price as it now is, although it has been much dearer since.

For a short period the wages were reduced from 7s. to 6s. per week, and I well remember how the reduction slackened the slow pace of the labourers, and that they constantly checked each other, saying, 'Anyhow, we are doing enough for a shilling a day.' If the men had been ever so willing to work, it would have been impossible for them to do much, for they were half starved. Sometimes their manifest weakness was such, that when they came in the morning the farmers, seeing their condition, served them out something to eat. But it never occurred to any of the farmers in the neighbourhood that it was as unwise as it was cruel to keep men constantly on the verge of starvation. Better paid men would have done the work quite as cheaply.

The cruelty was the more blameable because the farmers had enjoyed many years of great prosperity, and were generally rich. But no thought ever seemed to enter their minds but that of cutting down wages to the lowest point. I did not know then, but I know now, that the pale-faced men who became ill and died were starved to death. No doctor ever certified to that effect, but such was the case.

This general state of starvation was mitigated in many cases by sheep stealing and poaching, and in others by keeping cows, donkeys, or geese on the waste lands in the neighbourhood. None of these things are now possible. Honesty has been both taught and compelled; the county police have stopped sheep stealing; the gamekeeper has put an end to poaching; and the Common Enclosure Acts of 1845 have enabled the landlords to add to their holdings every inch of waste land by which the poor used to benefit. The progress of law and order has been felt by the poor solely in deprivation.

The wages now are 10s. per week, as compared with 7s. fifty years ago; but, as a set-off, the poor have lost the game and mutton broth which they used to get; meat is twice as dear, potatoes are twice as dear, common lands are enclosed. These deprivations swallow up the 3s. per week, and leave them, as far as material support is concerned, as nearly as possible where they were, but in other respects their condition is distinctly worse. The depressing

influence of overstrained 'order' bears very hardly upon a population having few interests in life. Every inch of ground on which children used to play is now taken from them. Even in the market-place their games are often stopped by the policemen; the most attractive footpaths are closed. Nut-gathering is out of the question, and a child can scarcely gather a blackberry without the fear of a policeman's hand on his shoulder.

That this is no exaggerated picture, let me state that a few months since a respectable working farmer was summoned before the magistrates at Devizes, and fined 10s. 6d., with costs, for 'damaging underwoods to the extent of one penny.' The farmer occupied a field adjoining a wood, from which game constantly issued and damaged his crops. Upon taking his cows to feed on a Sunday morning, he stepped three yards into the wood, which was not protected by a fence, and gathered a handful of nuts. Although he had suffered a thousand times more damage from the lord's game than the lord suffered by the loss of the nuts, and although in his young days he would have been permitted to gather the nuts with impunity and without a thought of wrong, yet the farmer was summoned and fined as stated.

If boys venture on a game of rounders in a field and a beaver hat approaches, they will huddle into a heap and try to look as if they had been doing nothing.

These oppressive restrictions are, I believe, largely responsible for the fact that young people leave the country as early as they possibly can, and add to the already congested condition of our cities.

In the neighbourhood to which I refer there are a number of small corn mills. The working millers were paid 16s. per week fifty years ago, when labourers received 7s. Their condition then afforded a striking contrast to that of the labourer, and they were enabled to save money and provide for a comfortable old age, which some of them are now enjoying; whereas there is not, I believe, one man who was a labourer forty years ago who is not either dead or has not long since become a pauper.

But the prosperity of the corn millers has ceased. The im-

proved methods of making flour have destroyed the value of these mills.

The only other class of workers in the neighbourhood are the small working farmers, occupying five to fifteen acres of land, on which they grow corn and vegetables. There have always been twenty or thirty families of this class, who have worked much harder than the labourers, and lived somewhat better. These men have a struggling existence, but almost always manage to pay their way, and a few of them have saved something. Of late years, many of the large farmers have failed whilst the small working farmers have held their own, although paying two or three times as much rent as the large farmer.

Unfortunately, the whole district has been under the control, for several generations, of landlords who have constantly discouraged the small working farmer. They have done so under the mistaken and unjust idea that if working-men are allowed to have land on the same terms—or nearly the same terms—as large farmers, labour will not be obtainable. Even now, although the large farmers are giving up their farms, and thousands of acres of land are actually unoccupied and grow nothing but weeds, the landlords will not abandon their policy of refusing land to working-men on the plea that they ought to remain labourers.

They insist upon charging working farmers for small quantities of land 3*l.* and 4*l.* per acre, while they are willing to let to large farmers at 20*s.* per acre. Experience has shown that working farmers, by living hard and working hard, can subsist and pay this heavy rent; but, of course, they do not, under such circumstances, realise a fair return for their industry, neither can they make suitable provision for old age. Take the case of a hard-working man occupying ten acres of land for thirty years, paying 4*l.* per acre rent, he pays at least 25*l.* a year more than a large farmer is charged for the same land. If half of that amount was added to his family expenditure, it would relieve his household from that condition of semi-starvation to which they are now subjected; and if the other half were saved and invested at 5 per cent., it would amount to 848*l.* at the end of the thirty years. It must be borne in mind that

each of the small farmers of whom I have spoken has actually produced from the soil the amounts we have stated, but it has been taken from them by a system instituted by landlords for the supposed benefit of themselves and their farmers.

It is this system which is responsible for the wretched poverty and want of employment which prevails. The land does not fail to yield a due reward to labour. Labourers in abundance are upon it, and labourers whose only desire is to work—labourers who are content to work hard and to live hard, in the sense of living upon very little; but the owner stands upon the land, and says to such a man, 'This land which you want shall remain idle unless you pay me 3*l.* or 4*l.* per acre per annum, and I would rather let it to a large farmer at 20*s.* than to you at 3*l.*,' and the land remains idle. For five or six years past thousands of acres of excellent land in the Pewsey Vale has been kept idle under this system—has produced nothing to the landlord, nothing to the farmer, nothing to the labourer. Every ten acres of this land will maintain a family in abundant comfort, but the families are driven away, and the land grows weeds to the injury of the cultivated land around it.

With what feelings must a small working farmer pay 60*l.* to a landlord for fifteen acres of land, when the same landlord allows better land to remain absolutely unoccupied? When land is farmed in the usual manner by large farmers, the expenditure upon it for labour does not exceed 30*s.* per acre per annum, and this is especially the case where, as often of late, three or four farms have been thrown into one. A large portion of this land might give employment to labour to the extent of 10*l.* per acre per annum, and it does so under a system of family agriculture, where a house is placed in the centre of a few acres of land, and each member of the family finds congenial and healthful occupation.

It is useless to say that such things cannot be done, for these results are now obtained, and have been for a hundred years past, as we have shown, in many cases, but the proceeds are absorbed by the unjust exercise of landlords' powers for the express purpose of keeping the people in actual slavery.

There is one circumstance in connexion with the locality to which I refer which has exercised so serious an influence that it would be impossible to omit all reference thereto. One of the largest landowners is the son of a man who purchased an enormous quantity of land in the neighbourhood, and after getting into debt wherever he could, especially to the small working tradesmen in the neighbourhood, he stopped payment—kept all his creditors without a penny for seven years, and then compounded for a payment of five shillings in the pound.

Many hard-working men, successful previously as hard-working tradesmen, have never been able to lift their heads since that time, but the land remains in the family of the defaulter, and the rents which ought to have paid just debts have been continually squandered in luxury, instead of being employed for justice.

This is one instance amongst many of fraud according to law, and it has a direct bearing upon our subject in this way—when struggling tradesmen are thrown back into the ranks of labourers the working-men are more crowded, and the fair distribution of wealth is prevented by the operation of unnatural laws made by landowners in their own interests.

The question we are considering assumes that there has been an increase in the products of industry within the last hundred years. How enormous that increase has been it is not the object of this paper to point out in detail. That the community in general should profit by that increase is obvious, and that the benefit would naturally be universal goes without saying.

But so far as the working classes are concerned, in the locality to which I am referring this benefit has been wholly intercepted. They have been entirely deprived thereof by having their industry checked and its proceeds confiscated by the unjust and unnatural interference of those who wield over the working classes of this country a power greater than that exercised by the most despotic government in the world. In no other country in the world does landlordism hold such despotic sway as in our own. The crushing influence which it exercises upon the working classes is shown in the fact that

honest, industrious, hard-working men are starving in the midst of plenty.

That wages of 10s. per week mean starvation is obvious from the fact that a family of five persons cannot be kept in food alone in our workhouses for less than 15s. per week. This crushing influence starves our working-men, drives them forth from their native villages, and compels them, too, unwillingly to seek work elsewhere. Thus the whole race of workers throughout the kingdom are subjected to unjust competition and deprived of the wages they would otherwise obtain. For more than a hundred years we have borne this, and during that period the rapid development of manufactures and commerce has brought a flood of prosperity. We cannot suppose that this prosperity will continue much longer. Great as it has been, we have seen that in reference to purely agricultural districts its influence has been wholly counteracted by landlordism, and the incubus which landlordism has proved to agriculture is rapidly undermining our agricultural industry. At the present moment even our villages are supplied with bread, meat, cheese, and butter from abroad, while our own lands are untilled and our own labourers idle and half-starved.

Over what extent of country the condition of things which I have described prevails I do not pretend to state. I have detailed only what I know from personal experience. That it exists over a large portion of the South of England I have good reason to believe. That even a more dreadful state of things prevails in many parts of Ireland I have seen. That Scotland is suffering in a similar manner we all know, and that districts which are now better off will soon be reduced to a similar state there can be little doubt.

While all this distress prevails, Wiltshire landlords import fox cubs and turn them loose by the score, to destroy the hen roosts of the poor and lessen their present small chance of getting a living. If there be the slightest justice or common sense in allowing this state of things to continue, I fail to see it. It is useless to say, 'We object to interference; leave things alone.' The present state of affairs is the result of interference. Landlords have no industrial title to the land, which

they never made or improved, and in many cases never saw. Their title is purely legal. Let the Government leave matters alone, and not another sixpence of rent would landlords get. Twenty-five thousand men are now required in Ireland to collect rents, and this number may soon have to be increased.

A revolution to bring about justice I believe to be unnecessary, such as some people are looking for and others evidently apprehend; but it must be remembered that a revolution has no terrors for those who cannot, whatever happens, suffer more than they are suffering now. This suffering class is increasing, and has assumed dangerous proportions. It is, I hold, the object of this Conference to discover how a catastrophe which is evidently imminent can be averted, and how a state of things distressingly unjust can be corrected.

Skilled and Unskilled Labour in the Shipbuilding Trade.

BY J. LYNCH.

WHAT I have to say on this subject applies directly to the shipplaters and their assistants, commonly known as 'helpers.' The system of work and payment in use between these classes is one which involves a most unfair division of the wages earned, and subjects the helper to many grievous injustices besides the mere disparity of remuneration. The system I speak of is a mixed system of piece-work for the platers and time-work for the helpers, both being engaged conjointly on the same work. The platers being paid by result work at high-pressure speed, and the helpers, although paid by the day or hour, must of necessity keep pace with them. It will be easily understood how a helper who has no special incentive to exertion is made to keep up with the plater who has such an incentive, and I need hardly say that the means by which this is accomplished are demoralising to both plater and helper. They are nominally fellow-workmen, but they are actually taskmaster and serf. Those who are acquainted with shipyard work will know that these terms

as applied to plater and helper are not misplaced. To show the unfairness of the division of piece wages between these classes, I will make a comparison of their respective earnings when on piece and when on time.

In the recent busy period the helpers' time wage on the Wear was 4s. per day, and the platers' time wage was 6s. per day. The price for shell-plates requiring six men to work them was at that time not less, but in some cases more, than 10s. per plate. Taking that as the standard price, however, and basing my calculations upon the work done in a fairly well-regulated and well-appointed yard, I find that the receipts of helpers and platers on this work were scandalously disproportionate. Three platers working in company completed 18 plates per day, the gross result in money payable for the work being 10*l.* Out of this they paid 3s. to a boy, the remainder being left for division between themselves and the helpers, of whom there were twelve—two squads of six men each. To pay each of the helpers his day's wage according to the current rate 3*l.* were absorbed, leaving 5*l.* 17s. for the three platers. It will thus be seen that for the day's work each helper received 5s., while each plater received 1*l.* 19s.

This I affirm to be a fair illustration of the division of wages on this particular work, between platers and helpers. On other classes of work the disproportion is not so great, but there is no instance in which the plater does not receive at least three times as much as the helper, while in strict justice he is entitled to no more than three-fifths to the helper's two-fifths, that being the proportion usually found to exist between the time rates of each class. The disproportion of earnings I have referred to between mechanic and labourer when on piece-work would be a gross injustice, even supposing the conditions in connexion with an industry allowed full time to be worked. But in the shipbuilding industry the injustice and inequality are immensely aggravated, owing to the precariousness of the employment. Stoppages from various causes are of constant occurrence, and I estimate that in brisk times only four days a week can be worked, while in slack times the average does not exceed two days per week. The helpers' pre-

sent rate of wages is 4s. 6d. per day, and I am sure I am correct in saying that the helpers in employment in the North of England at the present time do not average more than 9s. a week.

So far I have been speaking of stoppages over which the men have no control, but in addition to these there are other stoppages which still further diminish the helpers' chances of obtaining even the semblance of a livelihood. The platers frequently lie off work for purposes of pleasure or dissipation, and sometimes two or three days together are lost in this way. The plater can make up for the loss when he returns, and he does this by driving still harder the helpers, who have no means of recovering their loss. The platers will not start work of a morning if there is any sign of bad weather to be observed, or if they cannot see a clear prospect of being able to make what they term 'a good day's work.' Both summer and winter they absent themselves from work during the first quarter of the day very frequently—as often as three or four mornings a week. All these abstentions are a cause of loss to the helpers, for the platers invariably refuse to pay them for lost time. When the plater stops off 'first thing,' the helpers, who are on the ground at six o'clock (or seven in winter time), have to wait till breakfast time, and then start for a three-quarter day, or perhaps for only a half or a quarter day, the wages always being strictly proportioned to the time worked. I will not say that there is not now and then to be found a liberal-minded plater who is willing to pay his men for at least a portion of the time lost through his fault, but such are rare exceptions, and if they do pay their men for lost time, they must do it secretly, to avoid the displeasure of the others.

Not to be unjust to any class, I must admit that the helpers are sometimes absent when the platers are present, but this need never be a cause of loss to the platers, as there are always plenty of the helper class on the ground to supply the places of absent men, while the places of the temporarily absent platers are seldom or never filled up. Some results of the vicious system I speak of are very painful to contemplate. There have lately been four busy years of shipbuilding. In that

time the platers and other workmen had ample means to provide for the future, but the helpers had no chance to make any provision for prospective hard times. Their earnings, seldom exceeding 1*l.* per week, and often under that, were barely sufficient to meet current needs. When the present depression commenced the helpers were already impoverished; it may be imagined what their condition is now when even the largest earners are destitute. Poverty, from which there is no escape, is not the only evil this system inflicts on the helper. It lowers his self-respect, it cripples his energies, it makes him slavishly subservient to the plater, and, I regret to say, in many cases, disloyal to his own class, and the general effect of it is to degrade him immeasurably in all respects, besides making his work very much more unpleasant than it need be. There is one yard on the Wear where the helpers are paid by results as well as the platers. On the shell-plating at this yard there were three platers working in company with twelve helpers, assisting them as at the other yard spoken of. The price here also was 10*s.* per plate, but it was divided thus:—6*d.* per plate for each helper and 1*s.* per plate for each plater. This was not strictly just, as the plater had more than his due proportion, but it was a sufficiently near approach to justice to satisfy the helpers perfectly. In this yard, owing to the helpers having a direct interest in their work, they became much more expert than others, and consequently did more work, completing on an average twenty plates per day. This gave them 10*s.* each for every working day, while to the plater it left 1*l.* per working day—a much more equitable division of wages than that which obtained in the other yard, where the helpers had 5*s.* 3*d.* per day and the platers 1*l.* 19*s.*

What is required to remedy the wrongs from which the helpers suffer is, that they should be paid by results whenever the platers with whom they work are paid by results, the proportion of the gross proceeds coming to each class to be adjusted according to their respective rates of wages when employed on time. There is nothing to prevent this being done generally excepting the resistance of the platers, and this has hitherto proved an insuperable obstacle. The reason

the helpers were paid by results in the case mentioned is, that the employer took a firm stand in their favour; but there is not the slightest reason to hope that other shipbuilders will follow this example. As a rule, they care not how the money is distributed so long as the work is done, and whenever a conflict has arisen in respect of this question between the helpers and the platers, they have taken sides with the stronger party. They take this course because in that way the conflict is soonest ended, and their work allowed to proceed. The shipbuilders will not move in favour of the helpers, and the platers will not voluntarily relinquish their unjust privileges. There is not the smallest chance, at least in this generation, of the helpers being able to conquer justice for themselves. They have tried to do so more than once, but have always failed, and the recollection of these failures will prove an effectual preventive (for many years to come at all events) to their making any further efforts. The chief cause of their failures has been the little difficulty met with in filling their places by importations of men from other districts. These men never know what they are coming to, being deceived by false representations, and when they come, their own necessitous condition usually compels them to remain. This must ever be the case as long as there is a large surplus of unemployed labour in the country. Under these circumstances I know of no way to remedy the helpers' grievances except legislation.

Hitherto all remonstrances that have been addressed to the Platers' Society have proved fruitless. If they would consent to meet the helpers by deputation before a properly constituted tribunal, with the understanding that after both sides were heard, and the facts of the case were fully inquired into, they would submit themselves to a decision, the matter could soon be settled. This, however, they have always refused to do, and I fear they will do so again, unless the request comes from some very influential quarter indeed. It might be tried, however, and their refusal would of course afford a stronger ground for legislation. The wrongs and the injustices I have spoken of must necessarily continue unless they relent, or until an Act of Parliament enforces recognition of the labourers' rights.

DISCUSSION.

Mr. JEANS (Secretary, British Iron Trade Association) said he did not think anyone would charge him with hostility to the interests of the working classes, or with any desire to withhold from them their fair share of what was due to them in that controversy. It was not the first time he had stood alongside the working-men of this country with a view to helping them in the settlement of disputes with their employers, where he believed that they had a just cause. Although he did not hold a brief for either capital or labour, he felt that a great deal had been imported into the discussion which was calculated to obscure what he held to be the real points at issue. The workmen, on the one hand, alleged that their wages were not quite so high as they might or ought to be, and had not risen to the same extent that the capital of the capitalist had increased. This, capitalists, or those who seemed to hold a brief for them, were disposed to deny. A little more than a month ago he read a paper before the Statistical Society, in which he endeavoured to show what were the real differences in the rates of wages in this country as compared with the leading industrial countries abroad. In the discussion which followed, Mr. George Howell complimented him on the candour with which he had put the case, and did not venture to contradict, on their merits, any of his figures. He had undertaken a great deal of research with a view to get at the real facts, and the statistics he had put forward showed that the average wages paid in this country had, between 1850 and 1880, increased to the extent of about 40 per cent. It was true that those figures only applied to certain selected industries, and that they were mainly given on the authority of Mr. Ford, the president of the Manchester Chamber of Commerce. But he found on looking at the paper prepared by Mr. D. Cunningham for the present meeting, that the average wages paid in a number of selected leading occupations for a period of something like thirty or forty years very much bore out Mr. Ford's figures. Those figures were extracted from the official records of the Dundee Harbour Trust, and might be taken as perfectly trustworthy. They showed that the increase of wages had been even greater than he had put it at. It was important, however, in dealing with this question, to compare that increase of wages in this country with the increase in other countries, over the same or a nearly corresponding period. The conclusion brought out by his paper was that the average wages in this country over a certain number of leading industries embracing, as nearly as could be estimated, one half of the total number engaged in mechanical and

manufacturing industries, was in England over 40 per cent. higher than in Germany, and about 60 per cent. higher than in France. In the United States, wages took a considerably higher range than in England. In certain important manufacturing States—Massachusetts, New York, Philadelphia—which represented, perhaps, one-half the industrial population of the United States as a whole, during the interval between 1860 and 1880 there had been an increase of wages in America corresponding to that in this country. But whereas we found that the percentage increase of wages had been practically the same in the two countries, the workman in this country, by virtue of free imports, and other advantages which had accrued to him in the interval, had had his condition bettered to a greater extent than the average working man in the United States. Official statistics issued last year by the Massachusetts Bureau of Labour, showed that the cost of living in the United States had increased considerably within the last twenty years. Mr. Saunders had made a statement in his paper which, if unchallenged, was likely to cause an erroneous impression to go forth; he said that the wages of agricultural labourers were 10s. per week. He (Mr. Jeans) had had occasion to look into the matter as far as concerned the North of England, and he disagreed entirely with Mr. Saunders. Sir James Caird gave the average wages of agricultural labourers in England in 1850 as 9s. 7d., and in 1878 as 14s., and if we looked at the report, recently prepared by Mr. Coleman, for the Royal Agricultural Commission, dealing with Cheshire and Northumberland, we should find that the average wages there in 1881 were over 18s., besides certain perquisites in the way of potatoes, &c. If we took the average throughout the whole country, he believed we should find that it was more than 14s. (No, no.) Mr. Lowthian Bell had recently stated that the result of his inquiry in the Cleveland district gave to agricultural labour an average weekly wage of 17s. He desired that the way might be cleared to the proper understanding of what had been the real increase of wages, and he would add that the increase in the cost of living in this country, within recent years, had not been so considerable as some of the speakers of the morning would have them believe.

Mr. J. GLODE STAPELTON (Fabian Society) said he had been acquainted all his life with certain districts of Kent, and there the average in recent years had been 2s. 9d. per day for labourers. However, he did not wish to dwell upon details, but to call the attention of the Conference to a few general considerations, and he would suggest that in endeavouring to find an answer to the question which had been propounded, they should remember one very import-

ant consideration. He meant that if they looked at the two classes they would find an important characteristic distinction between them. The capitalists and employers were, by virtue of their being so, in such a position with regard to both the luxuries and necessities of life, as to be quite independent of the fluctuations of trade. But the other classes—artisans and labourers—were placed in such a position that any depression of trade, or shifting of trade, might result to hundreds of them in the loss, not merely of the comforts of life, but of its actual necessities. That was a true statement of a fact, and that being so, surely there was but one answer to the question as to which class had the larger share of the benefit. (Hear, hear.) But it might be objected that the second class are in that position of being dependent on the money they earned from day to day by reason of certain qualities in themselves; that they are thriftless, and do not provide for the morrow; they spend what they get to-day and there is an end of it. But if it were true that that class were not as careful as they ought to be, he would ask whether the other class were as careful as they ought to be? Now, as there was the same improvidence in both classes, surely like effects ought to follow in both cases, and it could not be the true cause of the difference between the two classes. Extravagance is capable of being ambiguously taken. A poor woman earning 6s. a week would be extravagant if she spent 1s. 6d. on a beefsteak, but a man with an income of ten thousand a year would not be extravagant if he entertained his friends at a dinner costing three guineas a head. Looked at from the point of view of the community, which was the extravagant person? We were told that the position of independence of one class was due to their abstinence—that they had abstained from spending money they had in hand. He would ask them to consider what that abstinence really meant. A man, after he had provided for all necessities, luxuries, and such ostentation as he chose to indulge in, put by the margin of his income. That was the quality and amount of the abstinence we were asked to approve as the virtue of that class. What were we asked to demand for the other class? There were present men whose wages at the best of times, when work was good and plentiful, enabled them to keep their families provided with the comforts and necessities of life, and, perhaps, a luxury here and there, and at the worst barely enabled them to provide the necessities of life, and not always that, and they were asked to demand from that class what was a sort of abstinence quite other than that practised by the former class. Was that fair or just? (No, and applause.)

Mr. GEORGE HINES (Wholesale Co-operative Society) said he was of opinion that there would be one outcome at least of the Conference

which would serve a good purpose. It would show that there were working-men who were ready to come forward and state what their earnings were and how they spent them. On the other hand, if they could find anything like an equal number of wealthy men who were getting their thousands per annum where working men were getting their pence, to come forward and tell how they got their incomes and how they spent them, it would be another excellent outcome of the Conference. (Laughter.) He noticed one remark in a paper with regard to what their incomes would be if they were equalised all over the country. He hoped for the sake of quiet and peace that that statement would not be too widely distributed, or he feared that if the great mass of the people got to hear of it—that if the income of the country were divided there would be about 180*l.* per annum for each family—there would be a revolution at once. (Laughter.) He had been amazed at reading some of the statements of statisticians and economists as to what wages really were, but he thought the working-man would best judge of that; and in spite of the statistics, and though they must agree that the wages had increased in many industries, there was no doubt that the increase had been mainly swallowed up by the extra expenditure required to support themselves anything like decently, and sometimes not even that. He did not know what the wages might be in some parts of the country, but he could speak of that part of the country he came from—Ipswich; and to show that he knew something about it, he might tell them that he was president of a large co-operative society, consisting of about 2,000 members, representing about one-fifth of the population of Ipswich. In going into the question of wages there he had found that iron-moulders' wages had risen during the last forty years from 24*s.* to 27*s.* On the other hand, moulders' labourers' wages had only risen from 14*s.* to 15*s.* per week. Smiths' had risen from 24*s.* to 28*s.*, engine fitters' from 26*s.* to 29*s.*, boiler fitters' from 24*s.* to 28*s.*, and in each case the labourers' wages had only risen 1*s.* per week. That bore out the statement that the poor were getting poorer, and there was no doubt that, though a portion of the working classes were getting better off, others were certainly getting worse, for the unfortunate body of labourers who were getting only 14*s.*, 15*s.*, or 16*s.* per week had also to meet the increased expenditure in rent and other things. Here was the expenditure of an engine fitter getting 29*s.* a week, to keep a family of five persons. He had purposely selected one of the most highly-paid mechanics. Rent 5*s.*, for a cottage (which within his recollection could be got for 3*s.*); 1*s.* for trade society and sick benefit club; bread and flour, 3*s.* 6*d.*; meat, 4*s.*; groceries, provisions, &c., 6*s.* 9*d.*; clothes,

5s.; doctor for wife and children, 4d.; school for two children, 6d.; social and religious purposes and newspapers, 8d.; wear and tear of house requisites, 6d.; leaving for holiday-making the magnificent surplus of 3d. per week. Another gentleman alluded to free education. Working-men were not getting free education at present, and even where they had the Board schools, working-men were paying from at least three sources towards that education. He paid school fees, local rates, and imperial taxes. How bad things must be in some parts of the country was shown by the fact that in Ipswich, which had suffered as little as anywhere from the depression of trade, they had about 800, out of the 4,000 attending the Board schools, who could not pay their fees, and every one of those cases had been closely looked into, so that there was little fear of deception. He estimated that that represented 2,000 people in Ipswich so poor as not to be able to pay for the schooling of their children. But there must be a much larger proportion who were just on the verge of, and ready at any time with the slightest extra pressure to lapse into, poverty. In the expenditure he had given he had not allowed anything for saving, and, although it was said working-men were not so thrifty as they ought to be, in reality working-men were saving to a large extent where they had an opportunity of doing so,—not only by frequent and regular stern self-denial, but by means of their co-operative societies, building societies, and other agencies for thrift and self-help. To these means are to be attributed the improved condition of many working people rather than to any great amount of advance in the remuneration of labour, taking also the cost of living, &c., into consideration. In the North of England he met the secretary of a large co-operative society, at Jarrow, where there was great distress, and asked him how the society was getting on. He replied that the takings were, of course, much less; and as to the share-capital, the members were drawing out at the rate of 150l. per week, but that sum was keeping many off the rates and from starvation. With regard to the capital employed in the business there was still a surplus of 4,000l., so that the society would be able to stand it for some time to come. This he thought showed very clearly that in good times working people were doing their best to provide for bad times. But there would never be content until Labour had its fair share of the wealth produced, and knew it. (Applause.)

The Rev. S. HEADLAM (Women's Protective and Provident League) said he wanted to take exception to the statement which had been made in one of the papers, that Mr. Henry George wished to have the land managed by the State. What he wanted was that the

whole of the value which the people gave to the land should be taken by the people. That the land question was at the root of the industrial question, and that they had the right to take the whole of the 20s. value which the people had made he had no doubt. Then there was the statement that those in the room would probably think Mr. George's idea based on injustice. He ventured to think that there were a large number of persons in the room who felt that the people who by their presence and their very life gave value to the land had a right to have the value for themselves, and to take the whole of the value by degrees in taxes was not an unjust thing. [The Chairman ruled that the discussion of the land question should be confined to the third day of the Conference.]

Major CRAIGIE (Local Taxation Committee) said his attention had been taken by statements in the paper of Mr. Saunders, which, if uncontradicted, might give a wrong impression. He would offer a preliminary but distinct protest against a theory which had been advanced by several speakers, that statistics were altogether unreliable, and that all conclusions should by preference be based on individual sentiments or impressions. Now, statistics were facts collected by many observers from evidence accumulated from many quarters. Individual impressions were only based on the evidence of a man's eyes. He had often heard that form of argument employed in debating economical questions, but it had always struck him that the weakest of all cases was that which was founded on what one man saw, rather than on conclusions reached by the concentrated evidence of a thousand patient observers. The case of agricultural labourers was eminently one for definite inquiries and definite statistics. He regretted that our country had paid so little official attention to the great question of the remuneration of labour and the exact statistics of wages. He was ashamed to read the reports of other countries, and to think that in a few weeks, from the Government of the United States, we should have the most comprehensive review both of its own rates of wages and those of other countries, collected by the careful observation of the American Consular Staff. The Government of this country would have done well to have incurred a larger expenditure in getting direct statistical information, which was the only basis on which that day's question could be discussed reasonably. There were, however, some statistics available, which, although not all we wanted, ought certainly to have been studied by the authors of papers, especially Mr. Saunders. Some fifteen years ago there was a most thorough and exhaustive inquiry into the question of employment of women and children in agricultural labour. The Bishop of Manchester, Mr. Edward Stanhope, and

many other most important authorities were among the Commissioners who inquired most impartially into the whole question, which, of course, touched the labourers' wages and position generally. It would have been most valuable to have referred to the evidence that was taken. We had only to look still more recently at the report of the Royal Commission on Agriculture in 1882, which sat for three years extracting information from England, Ireland, and Scotland. He had found in the voluminous evidence of those Blue-books piles of statistics amply bearing out the impression held by one or two statisticians as to a much higher rate of wages in agricultural districts than had now been spoken of. Sufficient stress was not laid on the great outlay farmers incurred for labour, and the large share of the gross produce required to remunerate the labourer. Mr. Saunders mentioned 30*s.* per acre. But statistics showed that that was a small outlay for cultivating land. He had figures showing that the outlay for manual labour on an arable farm of 420 acres in Norfolk last year was over 40*s.* per acre. The labour bill on that farm was 885*l.*, while the rent was not 650*l.* There was now a shrinkage in the labour on arable land in consequence of the unremunerative prices of cereals. He, however, protested altogether against the returns of weekly wages being taken as the standard or limit of the remuneration. Everybody knew that the 10*s.* or 13*s.* per week that had been named did not represent all the money which went to the labourer. Setting aside the larger pay of shepherds, cattlemen, and superior labourers, the lowest-paid labourer in many cases had a cottage, in others so many bushels of wheat, in others potatoes, in others milk, and in other cases members of his family earned money, while the extra returns made at harvest and by piecework must be added; and unless we went into all those figures we could not have any real measure of the remuneration of the agricultural labourer at the present time. In the North of England the figures were very different from those of the South. They were of course influenced by other industries; he would not, therefore, quote the 18*s.* or 20*s.* paid as an ordinary week rate in Northumberland. But Mr. Saunders would, no doubt, be surprised to hear that in so purely agricultural a county as Bucks, where there was certainly no great industrial competition, the following were the figures taken from a considerable employer's books:—In 1874 wages were about 15*s.* per week in winter, with the addition of milk for breakfast, and 19*s.* and 21*s.* in haytime and harvest, or about 33*s.* per acre; at present labourers were receiving 16*s.* a week, or 17*s.* without milk, which gave about 38*s.* 3*d.* per acre. It would certainly be well that some caution should be given to the readers of papers that they should place a little less reliance on isolated and exceptional cases, and

should rather consult the most voluminous and accurate statistics of recent official inquiries, especially those given by Mr. Doyle, Mr. Little, and Mr. Druce, on the Commission of 1882. He hoped that those who wanted to turn labourers into peasant farmers would also read Mr. Druce's evidence and statistics on such peasant communities in Lincolnshire, and contrast the position of labourers there with that of the nominal freeholder at the present time mortgaged up to the eyes, always in debt, working twice the hours, with children half-educated, and not doing nearly so well for himself or his family as the wage-earner employed on the large farms of the district.

Mr. BALL (National Agricultural Labourers' Union) said perhaps he ought to apologise for addressing them, but as the condition of the farm labourers had been so much discussed, he felt entitled to speak as one of them. He observed generally that the condition of the agricultural labourer was always more satisfactory to those people who were not in that condition. He considered that he had had a considerable experience in it; his father was an agricultural labourer, and his mother a yarn spinner. He was himself an agricultural labourer until the Association was started with which he was now identified. He believed he knew more about it practically than many of those gentlemen did theoretically, and he would say that, with all their figures and multiplying of figures of income, a large number of the labourers lived bordering on starvation. (Applause.) The last speaker referred to the Lincolnshire labourers. He happened to be a native of that county, and his father had lived there before him. That speaker referred to certain small freeholders who were worse off than the labourers. Did it not strike them that it was very strange, if that were so, that those people had never got out of that position and turned labourers? It struck him that if their position were so much worse than that of the labourers, they would have made an effort to get out of it. In his boy days, there were hundreds of such holdings, held by men who worked one or two horses, kept one or two cows or sheep, &c., and it was seldom any of those men went to the parish for relief. When the father got too old to work, the son took on the holding and kept the old man. He contended that the system under which the land was now held had driven those men out, because the large landowners did not desire to see them on the land. He admitted that agents, many of whom have had almost unlimited power in the management of large estates, have done much to abolish small holdings,—he would not say from what motives. But evidently the interests of the small holders were not considered, nor those of the community at large. Something had been said respecting the Royal Commission appointed.

some years ago to inquire into the condition of the working classes employed in agriculture. He never heard that a farm labourer was on that commission. The very people whose life and being were affected, and who ought to have been fairly and fully represented on that commission, were altogether excluded, and the consideration of their condition was left in the hands of those who did not feel their wants, and did not much care about them. They were told that the representations made by some of the readers of papers respecting the average wages of the labourer were totally beside the mark. The question was, Who gave the figures for making the calculation? Was it the employer or the labourer? He observed that there was always a wide difference between the two statements, and if we took the figures of the employer and not those of the labourer, we should get a wrong idea of the position of affairs. He resided at present in Essex, and, after having travelled over the major portion of that county, he found that, estimating from the highest to the lowest, the wages did not average more than 11s. per week. When farmers estimated the wages they paid, they did not estimate those of the labourers only, but took in the wages of the housekeeper, the stockman, and the overseer, who all received more, thus raising the average, and not giving a fair idea of the matter. Some of the employers gave the labourers a little wood, but it was in many cases he knew of scarcely worth tying into bundles. He held that at the present time there were thousands of labourers in Essex who did not work more than five days a week, and, if they did, they did not get more than 10s. a week for it. Perhaps he ought to calm his feelings a little; perhaps he spoke hotly. He felt indignant. (Applause.) He could not avoid it when he heard men who knew little or nothing about the labourer make those exaggerated statements. (Applause.) With respect to the working expenses of a farm, he would not enter into the question, but he believed that when a farmer was asked for his labour account, he would give it in a very different manner from that he would adopt when he gave in his income tax return. Some gentlemen suggested that labourers were better off than their employers, and they said that many of the farmers were able to escape paying income tax because they had no profit. He believed that the first 150l. of profit was not taxed, so that that statement proved nothing. (Hear, hear.) Perhaps he was not conducing much to the settlement of the question of the remuneration of the labourers; but all these matters were involved in considering it. There had been nothing nearer the mark than the paper of Mr. Saunders. The land question, so far as he could understand it, was at the root of the evil. There could be no successful manufactures or

commerce, for any length of time, where agriculture was going to ruin; and until some plan could be adopted by which the land could be brought into proper cultivation, and those who did the work had a proper share of the profits, there could not be peace or safety. It was estimated that in Essex there were 70,000 acres of land lying idle. We could estimate the number of men thrown out of employment in consequence. If any of those labourers asked to be allowed to cultivate a part of the land, they were refused on the ground that they would become too independent. The landlord could not let the land in some cases, because it had got into such a filthy state. In some cases he would not let it because he could not get the rent he wanted, and was unable to cultivate it himself. People during that time were walking about idly and starving, and yet they were told that wages were 14s. and 15s. per week. Wages had gone down on an average 2s. per week since 1879 in every part of the country, and in consolation for that they were told that bread and sugar were cheaper, and one speaker mentioned marmalade. (Laughter.) It was convenient to dangle that before their eyes when they were asking to have a living in return for their work. He protested against the assertion that the average wages of a farm labourer were as stated, 14s. or 15s. per week. (Cheers.)

Mr. STEPHEN HARDING (Bedminster Board of Guardians) wished to make a few remarks on Mr. Saunders's paper. He took it that the great object of their meeting was to devise some means whereby the great mass of our working classes should be better paid for their labour. If they succeeded, no one would be more pleased than the landowners and tenants of this country. If that paper went forth without being challenged, it would be somewhat misleading. Mr. Saunders said that in 1835 wages were 7s. a week, and that on those wages the people were starved; but he would remind him that, as food was then about half the price, the labourers were as well off then as now at 14s. a week.—Mr. SAUNDERS: And much better; that's what I said.—Mr. S. HARDING: But we know as a fact that the labourers in constant employment are not now starving, but are fairly well off. When our cathedrals were built, wages were not more than 2d. a day, showing that the question is not the amount of wages, but the amount of food it will purchase. The paper pointed out that there was much land in Wilts uncultivated, and not let because of the stubbornness of the owners. We knew that there were some people in all classes of life who had a deficiency in the upper storey, but no landlord would be fool enough to keep his land idle if he could let it. (Oh, oh!) He had some friends in Wiltshire who told him that the land uncultivated instead of being the best in the country was the worst;

that if it were divided into plots the people would starve on it, and that those who advocated its division were the greatest enemies of the working classes. He had just been through the United States, and his advice to labourers was, instead of going on to eight or nine acres here, to go to our Colonies, where they could do much better. It was a matter of supply and demand, and he might suggest a way in which men could rise. Every class that existed should be organised into a body. There were many classes in existence, and all necessary, and they should see that there were not more in each class than would supply the demand. Supposing that they tried to fix labourers' wages at 1*l.*, we knew that there were so many of them that they could not get that rate, and so some of them must get something else to do. The sooner they got to understand that the better. The average wages in the South of England were nearer 18*s.* than 10*s.*; he believed they would be found to be about 15*s.*

Dr. G. B. LONGSTAFF (Charity Organisation Society) said he only wished to call attention to one or two important, but, no doubt, unintentional, inaccuracies in the paper of Miss Simcox, who tried to find the number of poor people in the country from the number who died in public institutions, workhouses and hospitals. As a medical man he must protest against her assuming that people in that class of life died at the rate of twenty per thousand per annum. Owing to their low wages, bad accommodation, and bad habits, they died at a much greater rate; probably the rate was twenty-five or thirty per thousand per annum; that would give about two millions who might be taken as paupers or on the verge of pauperism. There were, indeed, many paupers who died in their homes, but, on the other hand, many persons died in hospitals who were not paupers. These two classes neutralised one another, and he protested against the actual paupers being counted as a separate class. That being so he did not think Miss Simcox could, from the facts she adduced, bring the total up to more than two millions. He maintained that the same two millions were those who mainly occupied the attention of charitable people. They were either paupers or very nearly so, and he protested against another two millions being added to the number. Nothing was gained by overstating the case one way or the other, we wanted only correct figures. It was said that with increasing wages and production we had a constantly increasing poor rate; but every year new charges were added to the poor rate, so that eight millions now spent as poor rate only corresponded with the four or five millions of the first part of the century. Paupers were now much better treated than formerly, both in workhouses, and infirmaries, and in district and other schools. The buildings were better and more costly, and the

officers of a superior class and better paid ; building sites were more expensive : moreover, the eight millions referred to included the whole of the expenses of the Metropolitan Asylums Board, a very large sum, mainly devoted to objects that were essentially sanitary. The true test was the number of paupers, which had decreased with a rapidly increasing population.

Dr. CHARLES R. DRYSDALE (Malthusian League) said that no doubt the question raised recently by Mr. Giffen was a curious and interesting one, *i.e.* whether the working classes or the other classes had gained most of the products added by industry to the national wealth during the past thirty years ; but the fundamental point for this Conference to determine, in his opinion, was, how can the position of the least skilled worker in this and other civilised countries be made so good as to enable him or his to earn by daily wages a sufficiency of all those necessaries of life which will enable him or his to live to an age compatible with the constitution inherited ? At present the average age at death among the nobility, gentry, and professional classes in England and Wales, was fifty-five years : but among the artisan classes of Lambeth it only amounted to twenty-nine years ; and, whilst the infantile death-rate among the well-to-do classes was such that only eight children died in the first year of life out of one hundred born, as many as thirty per cent. succumbed at that age among the children of the poor in some districts of our large cities. The only real cause of this enormous difference in the position of the rich and poor, with respect to their chances of existence, lay in the fact that at the bottom of society wages were so low that food and other requisites of health were obtained with too great difficulty. Now, there was but one cause of average low wages, and to see that cause clearly it was only necessary to compare Hindustan, England, and Australia. In Hindustan the wages of an agricultural labourer were about 4*d.* a day, in England from 2*s.* to 3*s.* a day, and in our Australian colonies from 6*s.* to 8*s.* a day of eight hours' labour. Nominally then, the wages in England were more than six times higher than in Hindustan, whilst in Australia they were three times as high as in England, and eighteen times what they were in Hindustan. Meat in New Zealand and some parts of Australia was very cheap, 3*d.* a pound ; so that, in addition to higher nominal wages, the Australian workman was much better fed than the English labourer. His labour would purchase, for instance, nine times the amount of meat that an Englishman's labour would. The evident cause of these terrible variations in wages, lay solely in the fact of comparative pressure of population on the powers of the soil. The Hindu marrying his daughter, because his creed compelled him to do so, at

the age of eleven, population was encouraged to increase as rapidly as possible, and hence continual over-population existed in that miserable country, where pauperism and famine were endemic. New Zealand, being so well fed and so little over-peopled, as compared with England or Hindustan, had the lowest death-rate perhaps in the world, *i.e.* twelve deaths per thousand inhabitants annually, as compared with twenty-one per thousand in England and Wales. In the same way it was, that the classes in Europe that increased most rapidly were the poorest, and received the smallest average share of the produce of the soil. He had found by interrogating the poor married women at the Metropolitan Free Hospital of London, over the age of fifty, that one hundred married women among the poor classes in London have, on an average, seven hundred and twenty-children, *i.e.* more than seven children each, whilst the professional classes in France were now well known not to have more than one hundred and seventy-five children per hundred married women, *i.e.* not quite two children per family. The birth-rate of our own richer classes was now very low. For instance, in Hampstead, a parish of London inhabited by well-to-do people, the birth-rate was only twenty-two per thousand inhabitants annually, as against forty-two per thousand in Sunderland, and thirty-seven per thousand in White-chapel. So that the only chance for the poorer classes obtaining more of the products of manufactures and agriculture lay in their imitating in future the more prudent classes, and having smaller families. No other schemes, such as resettlement of the land, socialism, or emigration, could raise wages, because population would double so fast, if food were only procurable. Hence, the State should discourage in all classes, in all European countries, families exceeding four children. The sanction required to enforce such an all-important aim might be discussed, when it would probably be found that trades unions and other combinations for the purpose of raising wages, might easily make the production of those large families, which alone were the cause of the misery arising from low wages, a ground of dismissal from the union. (Laughter.) Gradually this discouragement might be extended to the whole of society, in which case indigence and high death-rates would certainly disappear, and wages in England might eventually command as great a share of food as they did now in Australia.

Mr. E. DYKE (Cabdrivers' Society) said he feared that previous speakers had shown a desire to create a war of class against class. He would not have raised a protest against that if the attack had been confined to the large landed aristocracy, because they had in their hands the sinews of war, and were able to defend themselves.

Capitalists and employers, especially where they held land, had benefited much more largely than the labourers by the products of labour and industry. If a trades unionist plater got 1*l.* 5*s.* a day, and a non-unionist helper, who worked as hard, only got 5*s.* for a day's work, they should increase their wages by combination not by reducing the wages of the plater.

Mr. WILLIAM SNOW (Cleveland Blast Furnacemen) said he wished to say a few words about the agricultural labourers in the Cleveland district. As one who had resided in the district for sixteen or seventeen years, and travelled through every portion of it, being personally acquainted with many farm labourers, he would say that the estimate of their wages was false and untrue (Hear, hear.) He did not say that there were no farm labourers receiving 17*s.* a week, but that they were very exceptional cases. If they were to take an average, they would find it only to be 14*s.* 6*d.* instead of 17*s.* 6*d.* The district was not an agricultural one, but a mining and iron producing district, and the consequence was that the little agricultural labour that has to be performed has to be paid at a higher rate than in a purely agricultural district. When Mr. Jeans spoke of the increase of wages in England and foreign countries, he did not tell the whole of the truth. If he had quoted the whole of the text of Mr. Lowthian Bell, he would have told them that, although the wages in England were higher per day than in foreign countries, yet any piece of work would not cost more than the same amount of work anywhere else. Although the English workmen received higher wages they did more work for it, so that the work cost no more to produce a ton of iron here than in foreign countries. Mr. Jeans ought not to have tried to make them believe that English labourers were receiving higher wages for shorter hours than his brothers in foreign countries. Major Craigie said they ought to place more reliance upon the figures of the statisticians than upon the word of an individual who came forward and said they were not correct. He thought, if they had personal testimony as to what people are receiving, or the class they represent are receiving, it must be better than the figures of people who had personal motives for not telling the whole of the truth. These statisticians sought their facts and figures from one side only. If they had any representatives of the labourers' side who could tell them what the wages are in certain districts, that was better than all the figures from the employers' side.

Mr. ESTCOURT (Progressive Association) said that according to Mr. Hutchinson's paper, the wages of the coal miners in 1832 were 3*s.* 6*d.* per day, and Mr. Giffen made a point a short time ago by

saying that they were 2*s.* 8*d.*; again, in 1871, according to Mr. Hutchinson's paper, the wages were 4*s.* 9*d.*, and in 1876, 5*s.* 2*d.* He found that the strike in South Staffordshire was against reducing the wages from 3*s.* 8*d.* to 3*s.* 4*d.* per day. Yet they were asked to rely on these figures. Major Craigie laid great stress on the advantage the labourers got from small additions to their incomes by means of milk, eggs, firewood, &c. If that were so great an advantage, we must consider how much the town labourer had lost by being urbanised. On a large income such small items were not of much consequence, but if a man with a garden, and 15*s.* or 18*s.* a week, desired for instance to make a fowl-house, and instead of being able to beg pieces of wood, had to buy all, the items were very serious. When several persons in a family earned wages the whole aspect of the question was altered, there being then several sets of out-door expenses (locomotion, &c.) to allow for, which would materially lessen the apparent earnings.

The Rev. H. J. B. HEATH (Land Nationalisation Society) said he desired to support all that Mr. Saunders had stated. Humanitarianism, which had found its exponents in Miss Simcox and Mr. Lloyd Jones, was, he ventured to think, a far more important side of the question than the dry and conflicting statistics they had had hurled about to-day. With respect to Wiltshire, he could corroborate Mr. Saunders's statements. Near Salisbury there was a manor comprising three farms, one of which, with an area of 2,000 acres, has been unlet for a long time. A large portion of this farm consisted of grazing land, suitable for sheep feeding; the remaining arable portion was covered with weeds. This prevented a tenant without large capital from taking it. The last tenant made a hard fight against bad seasons, struggling also against the incubus of an excessive rental, giving up the culture of one field after another, and finally retiring from the scene as a broken man, killed out of commercial existence mainly by the stress of that which crystallises itself in the word rent. It has been found impossible to provide a new tenant for this farm even with a rental reduced to 10*s.* per acre. He contended that the nationalisation of the land upon the principles advocated by his society would prove a remedy, and the only effectual remedy, for this disastrous state of affairs.

Miss SIMCOX, in reply, said she had not been as fortunate as Mr. Saunders in provoking criticism. She was, no doubt, audacious to make statistics prove something different from Mr. Giffen, but as no one had been kind enough to set her straight, she hoped they would believe that there was something in her side of the statistical question. In reply to Dr. Longstaff, she desired to say that her estimate

of two and a half millions was only approximate, but she considered that the probably higher death-rate in the lowest class would be fully compensated by the mortality, which she was obliged to omit, in prisons, schools, almshouses, and other benevolent institutions, together with the odd 160,000 that she struck off to give a round number. The total mortality in hospitals was 2·8 per cent. of the whole, and a portion of that did not imply pauperism, for persons of good position went to hospitals for special surgical treatment; but a majority of those who died in hospitals would undoubtedly pass their last days at home, if the family resources could provide for their being properly cared for. There was another point of view from which one might confirm her estimate of five millions of virtual pauperism; that was the 25 per cent. of workers unemployed. That did not mean that everybody earned 25 or 20 per cent. less than normal wages, but that 25 or 20 per cent. of them were at one time or other out of employment, and so not earning wages at all. If to this number we added a similar percentage of those who, even when in work, did not earn enough to make any provision against bad times, we could hardly avoid the same conclusion, that a fluctuating fifth of the whole population was to be found permanently on or across the border of pauperism or destitution. One word as to the method upon which the statistics she ventured to criticise had been compiled. The statisticians asked how much a man in good work generally earned in his trade, and then calculated as if every man got as much as that. It was rather the exception than the rule in some trades for a man to earn full wages. The estimates on that score were very different when given by the employer and the workers. One day, in a Whitechapel tailor's workshop, she was going round with the master. He complained of its being supposed that East End tailors were badly paid. He pointed out one man and said that he got 7s. a day, which made two guineas a week. She then asked how many days a week the man worked, and all the rest of the workpeople in the shop looked at each other and winked. The master said sometimes five days (*i.e.* never six), sometimes four, and sometimes three, and, a young man added, sometimes one. The average was, according to a well-informed master, about three days a week during the year, so that the tailor's real wages came down at a run from two guineas a week to 21s. Statistics were very valuable and reliable, provided we knew what they were made of. We might trust the Registrar-General's returns implicitly, and the census as far as it went; but when we saw that the income of millions assigned to the working classes was formed by multiplying such cases as that adduced, there was not much reliance to be placed upon the figures.

She had been careful not to pile up harrowing instances of women earning sixpence a day. What we had to realise was that our whole industrial system tended to a multiplication of such instances. We were not at present on the right tack. We spent our days of work in producing a state of things which the leisure moments of the philanthropist were utterly unable to correct. If we continued in the way we were going, when our population compared with that of China, we should have a virtually pauper population of 80 or 100 millions. It had been argued that it was not worth while to devise a more equal distribution of wealth, because if the whole national income were divided equally, the share of each individual would be too small to count; but this was scarcely accurate. As far as she could judge, if it were so distributed, it would add about 10*s.* a week to the income of each working-class household. That would mean the difference between 5*s.* a week and 15*s.*, between 10*s.* and 20*s.*, and so on. 26% a year might be an insignificant trifle to the rich, but to the poor it meant the difference between wholesome luxury and a hard life, comfort and want of common necessities, possible subsistence and absolute starvation.

Mr. SAUNDERS, in reply, said, with respect to the wages in Wiltshire, he wished they were better than he had stated, but a short time ago he called on a farmer who was paying only 9*s.* instead of 10*s.* He asked him how he could have the conscience to offer such wages, and the farmer's reply was that if he told his labourers that for the future he could only pay them 8*s.*, they would say, 'We be very sorry, measter, but we suppose we mun put up wi' it.' That showed the condition of the people in that neighbourhood. One gentleman had said that no landlord would be fool enough to keep his land idle if he could let it. Unfortunately, when people calculated upon putting a limit to the folly of human nature they reckoned without their host. Last week he saw 1,500 acres of land which had not been cultivated for five years, yet if a labourer were allowed to have 10 acres of that land (at 1*l.* per acre) he would consider his fortune made. Applications for such holdings had been made to the landlord, but the request was refused on the ground that if the labourers had the land the farmers would not be able to get labourers. One gentleman, who had visited Canada, was in love with large farms. But Canada and England were very different. Where the population was sparse, hundreds of square miles were properly occupied by one man for cattle ranches, but, as the population increased, the ranches were divided into large farms, and large farms into smaller, and as population became dense, much of the land ought to be used for something like market-gardens, and such would be the case if the

landlord did not step in and interpose a charge of three or fourfold, before he would allow land to be cultivated in small quantities. "We were asked how could we expect working-men to be well off when they had seven children to keep. He had asked a working-man whether, if he had 10 acres of land at the same rent as a farmer paid for his land, he would be able to live upon it. The reply was, 'Live upon it! I could keep 14 or 15 children, and give 'em all plenty.' (Laughter and applause.) And he knew perfectly well that the man could do it, and would do it, and would become a splendid customer for the manufacturers. (Hear, hear.) The artificial restrictions which were placed upon land were placed there for the purpose of giving undue advantage to the capitalist. They had that effect, and were the chief cause of these inequalities which now existed.

THURSDAY, JANUARY 29, 1885.

MORNING SESSION.

DO ANY REMEDIABLE CAUSES INFLUENCE PREJUDICIALLY
(A) THE CONTINUITY OF INDUSTRIAL EMPLOYMENT OR (B)
THE RATES OF WAGES OF THE WORKING CLASSES?

*On the Existing Modes of Distribution of the Products
of Industry in the Chemical Works, Collieries, Iron-
stone Mines, and Blast Furnaces in the North-East
of England.*

BY I. LOWTHIAN BELL, F.R.S.

President of the British Iron Trade Association.

THE circumstance of my having been engaged for upwards of forty-five years in an industrial life may, I trust, be accepted as a justification for claiming a few minutes of the attention of the present assembly.

Lord Macaulay, and since his time many other writers of eminence, have proved conclusively that the labouring man at the present day has had his position greatly improved as compared with that of his predecessors during the last century. Not only in recent years has almost every article of food and clothing been greatly reduced in price, but there has been a steady and substantial increase in the rate of his earnings.

As regards the first of these propositions, the large importations of grain and of animal food, which may be regarded as of a permanent character, afford a reasonable hope of the inhabitants of the United Kingdom being fed in the future at a moderate cost. As regards the second proposition, I may take

as an illustration of the rise in wages that, in a large locomotive building establishment in the North of England, the average increase between the years 1850 and 1874 amounted to 41·73 per cent., and in 1881, a period of great depression, they were 28·70 per cent. higher than in 1850.

Besides this, the introduction of the nine hours' system brought up the cost of labour to the employer in the two years of 1874 and 1881, as compared with 1850, to 51·73 and 38·70 per cent. respectively.

Other examples will be adduced in proof of the general character of this change in the income of the working classes in my own neighbourhood, about which locality I wish more particularly to speak.

Notwithstanding this admitted improvement, which is by no means confined to the North-eastern district of England, I am quite willing to allow that there are many cases which may appear to, and no doubt do, justify the inquiry you are met to consider, viz. 'Is the present system or manner whereby the products of industry are distributed between the various persons and classes of the community satisfactory? or if not, are there any means by which that system can be improved?'

By personal inquiry as well as by the study of writers, both British and foreign, I am satisfied that the earnings of many among the labouring population of this country, as well as elsewhere, are of such nature as barely to suffice for the necessaries of life, leaving no margin for what may be regarded as its comforts, much less its luxuries.

You are now invited to consider 'what are the best means consistent with equity and justice for bringing about a more equal division of the accumulated wealth of this country, and a more equal division of the daily products of industry between capital and labour?'

It is not necessary to spend any words in proof of the opinion that the question just quoted is one which has frequently been asked by the workmen themselves. This is sufficiently evinced by those occasional conflicts between capital and labour, which almost invariably are accompanied by embarrassment to the one and by distress to the other.

In the present, as in all other similar problems, we must not, however, shut our eyes to the difficulties which beset its solution, otherwise we may aggravate the evil our endeavours are intended to cure.

Quoting again from the documents which have been issued by the Committee, I find it stated that 'wealth, luxury, and extravagance among the few, accompanied by poverty, misery, and want among the many, is at once a great evil in itself, and a great danger to the Commonwealth.'

No one, I think, will venture to controvert the truth of this abstract proposition, but I must dissent from what I fear is meant to be a too general application of its terms to the actual facts of the case you have met to discuss. I have, therefore, endeavoured to select instances, within my own personal experience, to show that there are, and have been for some time, many very earnest attempts made to effect an equitable 'division of the accumulated wealth of the country, and of the daily products of industry between capital and labour.' Further, I have little doubt that when 'poverty, misery, and want are felt among the many, wealth, luxury, and extravagance are not so prevalent among the few,' as seems to be inferred.

To some extent it may be said the very reverse of this last proposition has been exhibited in the history of the chemical works of the United Kingdom during the last seven years.

On the River Tyne alone there are, or were, annually used in the manufacture of soda and its cognate branches above 250,000 tons of salt, nearly a million tons of coal, and in all nearly two million tons of mineral substances, worth nearly a million sterling. Almost the same amount of money was paid to 19,000 workmen engaged at the chemical works themselves, a number which therefore does not include the labour at the mines, or that paid for transport by sea and by land, &c. &c.

When it is remembered that the make of soda, &c., of the Tyne is only considered to be about 25 per cent. of the entire produce of the United Kingdom, it is no exaggeration to say that this branch of the chemical trade is one of national importance.

Now, during the last twenty-five years or thereabouts, the wages paid in these chemical works, according to my own know-

ledge—and I speak from twenty-one years' experience as a soda maker—have been increased $37\frac{1}{2}$ per cent., while, during the same period, the average value of the products has declined to the extent of 40 per cent.

I do not pretend to say that improvements in the manufacture itself, and changes in the price of raw materials, to some extent, may not have mitigated the very heavy losses which infallibly would have overtaken this branch of industry under the circumstances described. The actual condition of the trade, however, may be inferred from the fact that on the Tyne alone thirteen establishments have been broken up and sold as old material, accompanied by a reduction of 24 per cent. in the quantity of soda, &c., produced on its banks.¹

I will not invite you to suggest a remedy for this lamentable state of things, because I am too well convinced that you would be unable to apply it, and this for the following reasons.

Concurrently with the ruin which has thus been threatening to overwhelm the chemical manufacturers, other branches of industry in the North-eastern district of England were more or less prosperous, and the men engaged in these were earning high wages. Iron shipbuilding was one of the fortunate group. From one builder I obtained a return of the average earnings of his men, who worked 313 days in the year to which his figures applied. The chief men received over the whole of this period from 8s. 9d. to 12s. 10½d. per day, and among these there were ten who made 25s., and thirty other men who were paid 20s. per day.

At the rolling mills engaged in making the iron plates for the shipbuilders the furnacemen were paid 12s. 8d. and the head shearers 28s. 3½d. per day. The least experienced of the chief rollers received 17s. 5d., and the best 40s. 11d., for his day's work, the average receipts of fourteen men employed at the rolls being 27s. 8d. per diem.

It has already been stated that the mechanics in the North of England in a large engine-building establishment had re-

¹ Recently a process for making soda has been introduced into this country considered to possess great advantages in point of economy over the old or Leblanc method. The new or Ammonia process, as it is called, is too new and too limited in extent to have materially affected the general trade.

ceived an increase in their wages amounting to from 40 to 50 per cent.

You will now easily understand that such earnings as those mentioned above could not fail to affect the price of labour in other branches, just as the better-paid men, who soon learnt to mine the Cleveland ironstone, a comparatively recent discovery, compelled the neighbouring farmers to increase the wages of their farm servants.¹

But it happens that in the chemical works a large number of artisans is employed, differing but little, if indeed at all, from those engaged in shipyards, in iron works, and in engine-building factories. Of course, however depressed the soda trade was, a bricklayer demanded the same pay for building a furnace for decomposing salt as he would have received for constructing one for heating ship-plates. In like manner, whether a steam-engine was doing duty for the chemical manufacturer or for the ironmaster, the men who built or repaired it were to be paid the same rate in both cases. Such examples as these became necessarily the forerunners of that general rise in the price of labour mentioned as having prevailed all through the chemical works in the neighbourhood of the shipyards and rolling mills.

It is, perhaps, only when we come to consider the wages question of our country in its relations with the price of labour in foreign nations that we become sufficiently impressed with the intricate nature of the subject.

The possession of abundant beds of cheaply-wrought coal and ironstone, of skilful workmen of great endurance, and of a fleet of merchant vessels more numerous than that of all other nations combined, entitles Great Britain to be considered as the shipbuilder of the world. In recent years, however, we have seen Norway, a country which has to import the whole of the coal and iron required for building a ship, entering the field and competing successfully with the British firms, with all the advantages Nature has placed within the reach of the latter.

This perhaps unexpected result is entirely due to cheaper labour. According to one return I have received, the workmen in a German shipyard are paid about 60 per cent. of the current

¹ *Vide* Appendix, p. 148.

wages paid in the North of England. This fact is not put forward as an expression of the actual difference in the cost of a given amount of work, because, as will hereafter be again referred to, the better-paid English workman is, generally speaking, more efficient than the foreigner. So far, however, as Norwegian competition is concerned, the cost for labour on an iron vessel of 1,500 tons dead weight capacity is, after paying the freight on the iron and coal employed, 850*l.* less than that paid in our own country. This information is given on the authority of Mr. Raylton Dixon, the experienced and well-known ship-builder of Middlesbrough, and when it is considered that it applies to an amount of wages which, in 1883, exceeded a million and a half of money paid in the British building yards, it is not easy to over-estimate its importance.

Previous to the introduction of Free Trade measures in this country, and indeed for some years afterwards, the differences between the earnings of the workmen in the United Kingdom and on the continent of Europe were invariably set down to the cheaper price of provisions abroad. During the forty years in which I have visited the Continent for studying its progress in the manufacture of iron and its various branches, I have witnessed a marked change in the cost of food there, but, instead of troubling you with my own figures, I will seek to confirm this statement by the observations of other writers.

M. Chatelant, of the Statistical Bureau at Berne, alleges that in Switzerland between the years 1840 and 1850 the prices of provisions had advanced 75 per cent., and in some cases 100 per cent. Between 1861 and 1872 there was a further rise of 30 to 40 per cent.

M. Vuillmin, a large coal-owner in the North of France, informed me that in the Pas-de-Calais the increase in the cost of articles consumed by his miners had increased as follows :—

Butcher meat	.	.	.	157 per cent.
Butter	.	.	.	102 "
Potatoes	.	.	.	107 "
Shoes	.	.	.	106 "
Coarse blue cloth for their clothes				71 "

Shortly, it may be said that all the evidence I have received in Austria, Belgium, France, and Germany goes to prove that the cost of living has been notably augmented in these countries, while, with our Free Trade measures, it has sensibly been diminished with ourselves.

Under such a change of circumstances on the Continent it is not to be wondered at that wages should have risen there; and accordingly, with coal selling at the same price, miners' wages in France rose in ten years about $17\frac{1}{2}$ per cent. The earnings of the men engaged in our British collieries, and, indeed, in our iron works generally, did not follow an opposite direction, although, as has been stated, almost every article of domestic consumption is now much cheaper than it was five-and-twenty years ago. On the contrary, there has been, as I have shown, a steady and in the end a very considerable addition to the wages paid to our workmen. Not only is this the case, but from authentic figures in my possession, I will prove that 'the division of the accumulated wealth of this country' has been very much more in favour of the workmen than has been the case with Continental nations.

In illustration of this I will submit the actual earnings of the coal miners at a Scotch and at a Westphalian iron works. To these I have added the price of pig iron in Scotland, which may be considered as the ruling factor in determining the rate of wages.¹

Year	Price Scotch pig iron	Earnings Scotch Colliers	Earnings Westphalian Colliers.
1869	53/3	3/6 $\frac{3}{4}$ per day	2/4·92 per day
1870	54/4	3/9 "	2/6·72 "
1871	58/11	4/6 "	2/8·16 "
1872	102/	7/0 $\frac{1}{2}$ "	2/11·74 "
1873	117/8	9/11 "	3/3·29 "
1874	87/6	7/2 "	3/3·72 "
1875	65/9	5/4 "	6/ "
1876	58/6	4/8 "	2/8·77 "
1877	54/4	4/1 $\frac{1}{4}$ "	2/5·16 "
1878	48/5	3/2 "	2/3·36 "

According to these figures the percentage increase on the wages paid in 1869 was as follows :—

¹ The miners in Northumberland and Durham earn much higher wages than the lower figures in the Scotch scale of prices.

	1870	1871	1872	1873	1874	1875	1876	1877	1878
Scotland .	5.2	26.3	97.0	78.3	101.4	49.7	30.9	15.2	11.1
Westphalian	6.2	11.2	23.6	36.2	37.3	24.	13.3	0.1	
	Increase.				Decrease				

For the sake of greater distinctness I have prepared a diagram in which the centre horizontal strong line exhibits the fluctuations in the price of Scotch iron, the highest the variations in Scotch wages, and the lowest line that of the Westphalian miners.

It would only be wearying you to no purpose were I to enter into a lengthened comparison of the earnings of British and foreign workmen generally, because the daily pay to each would be only misleading. Partly owing to the more extensive use of labour-saving appliances here than abroad, and largely owing to the greater amount of work turned out by our better paid and therefore better fed people, the actual sums paid in wages afford no index to the real cost for labour on a given article. Having due regard to these disturbing influences I have satisfied myself that in those objects of iron and steel where workmanship notably exceeds that bestowed on a rough material like pig iron or even steel rails, we must not be surprised that upwards of 300,000 tons of girders, railway axles, spring steel, &c., are imported into Great Britain, chiefly from Belgium and Germany. Further, we must, at the present price of labour with us, be prepared for a continuance of that increase in our importations which has been observed in recent years.

By almost universal consent the policy of Free Trade has been declared as not being an exclusive article in the creed of either of the two great political parties of these realms. Without offence to either, I therefore may be permitted to say that, until we are ready to adopt the policy of taxing the food of the people—a most undesirable step in my judgment—we must consent to allow the farmer to purchase, without hindrance, those tools of iron and steel where he can obtain them cheapest and best.

The competition which the British iron trade has to meet on its own shores is, however, comparatively an insignificant branch of the whole question, for against the 300,000 or 400,000 tons of iron we import in one form or another, more

than 5,000,000 tons of pig iron are required for the purpose of providing for our exports, equal to about 60 per cent. of our entire make.

In former times the iron export trade of the world was almost exclusively in our own hands. In the year 1882 the exports from different countries in pig, malleable iron, steel, and in machinery were as follows:—

From Great Britain	.	.	.	4,828,803 tons
The Zoll Verein	.	.	1,134,103 tons	
Belgium	.	.	529,464	„
France	.	.	137,741	„
United States about	.	.	200,000	„
				2,001,308 tons.

Thus it would appear that for every 100 tons contributed by this country to supply the markets of the world, 40 tons are now sent out jointly by Germany, Belgium, France, and the United States; and further, it may be stated that the export trade of our foreign competitors is one of a steadily increasing character.

Although the language of the circulars put forth in connexion with the present movement is silent on the difficulties the capitalist has to encounter, I feel satisfied that neither the originator of this meeting, nor the committee, under whose auspices it has been summoned, are less indifferent to the dangers which surround the employer, than to the privations which beset the employed.

I am not going to illustrate any argument upon the relative position of the two sides by a reference to the present depressed state of the iron trade, when many furnaces are idle, my own firm having five in this state out of fourteen, and when it is notorious that its prosecution brings no profit to the iron-master. What I do wish to point out is that the wealth and luxury of the capitalist are sometimes estimated on a wrong basis, when contrasting them with the earnings of his workmen.

If we were informed that the average earnings of all the people engaged in working the minerals, and smelting pig iron therefrom, were 4s. per day, and that the proprietor of the

mines and furnaces received 25,000*l.* a year as his share of the profits, it might be supposed by many that here was manifestly an unequal 'division of the accumulated wealth of this country.'

In order to earn his 25,000*l.*, however, something like 15,000*l.* ought to be set aside to meet the interest on the capital expended on the mines and furnaces. This is an inevitable and a reasonable charge against revenue, because the money might be laid out in such a way as to entail little or no anxiety to its owner; indeed, it might be invested in foreign lands, so as to be beyond the ken and criticism of his own countrymen. This last method of dealing with British capital would, of course, have the effect of withholding it from the power of employing British labour.

Out of the balance of 10,000*l.* which falls to the share of the smelter, have to be paid, depreciation of his mines, the cost of which must be returned by the time the minerals are exhausted, interest on his working capital, and profit for carrying on the business.

It would further appear that this sum of 10,000*l.* belonging to the capitalist only represents 7·14 per cent. (1*s.* 5*d.* in the pound) on the wages paid for labour, so that an increase to this extent to the workmen's earnings would sweep away his profits, properly so called, as well as the depreciation fund, and a further addition of 10·71 per cent. to the workmen's pay would leave the owner of the establishment without a penny to meet any of the charges enumerated as coming against it.

In this estimate it has been assumed that 10,000*l.* a year would be enough to afford a profit to the smelter, and to form a sinking fund to redeem the capital expended in sinking the pits, &c. In many cases, however, nearly the whole of the 10,000*l.* might be absorbed for the latter purpose alone.

I have now enlarged, it is hoped not unnecessarily, on the advance in a material point of view of the workmen in two of the great industries of this nation. I would wish to add a few brief sentences as to their progress in one of the moral aspects of their position. During my earlier experience as an iron manufacturer, a not uncommon way of settling differences of opinion

respecting the price of labour was by strikes of longer or shorter periods ; or, if this disastrous course was avoided, great bitterness of feeling and mutual distrust were engendered between the parties concerned. For the last ten or twelve years, the men have selected representatives of known intelligence and loyalty to themselves, but who at the same time are, it is believed, persons distinguished by the moderation and fair dealing of their views. Upon occasions of importance these representatives meet the council of employers, when the subjects under discussion are debated almost uniformly with calmness and good feeling. Necessarily sometimes very strong differences of opinion prevail, as must occasionally be the case between the buyer and seller of any commodity, but hitherto these have been reconciled without any interruption to those friendly relations which ought to subsist between employer and employed. Much of the credit appertaining to this desirable state of things, is due to the able men who fill the official posts in connexion with the men's unions.

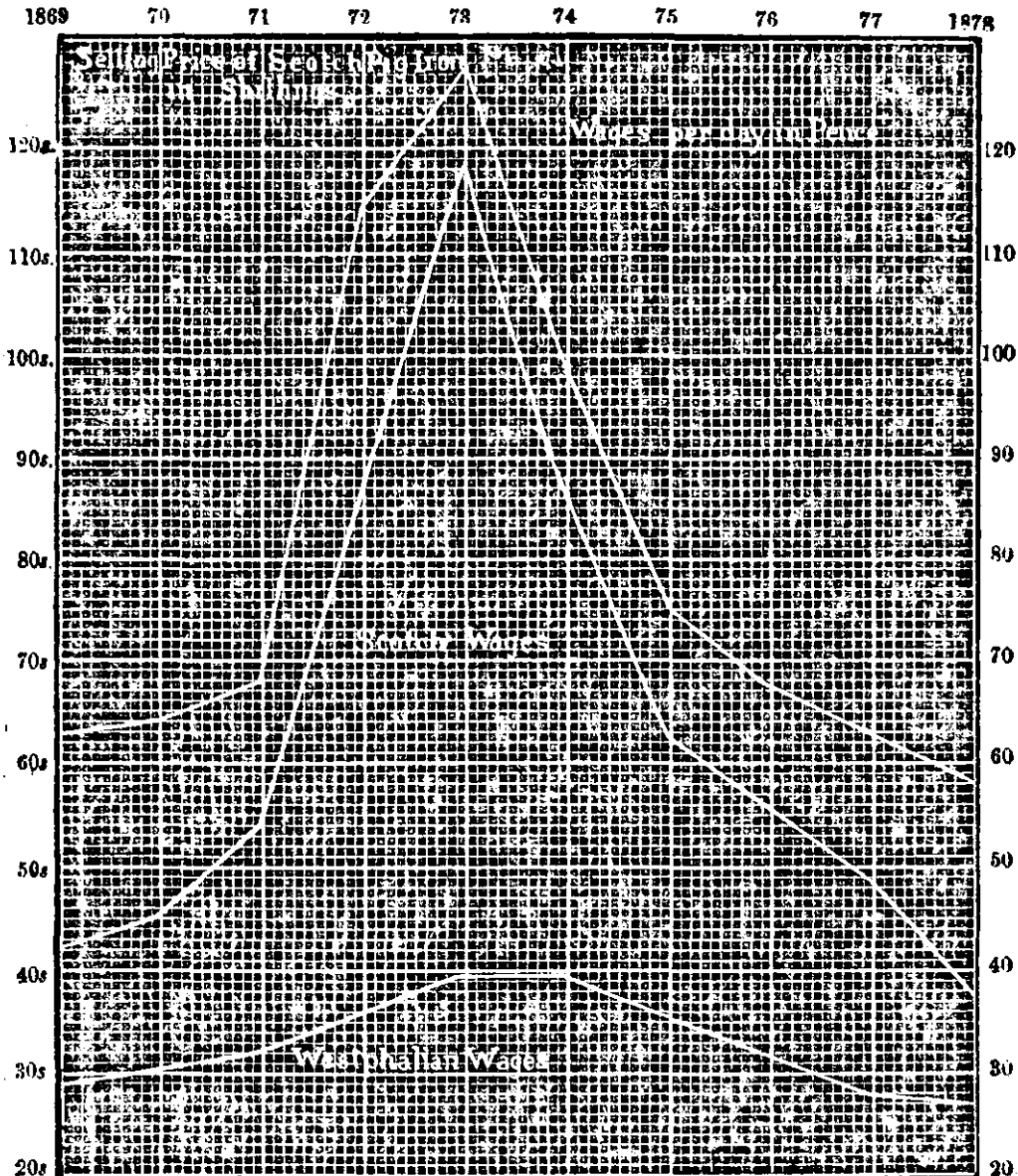
As a result of this amicable feeling, a sliding scale of wages has been agreed to, which is regulated at the collieries by the price of coal, and at the ironstone mines and blast furnaces by the price of pig-iron, and so far this system has worked satisfactorily.

As a further indication of the good understanding which prevails between the employers and their men in my neighbourhood, may be adduced the fact, that Mr. David Dale, of Darlington, a member of one of the largest firms of mine-owners and iron-masters in the world, has been accepted by the iron-workers as umpire upon five different occasions in the settlement of wages.

In conclusion, I have only to express a wish that your deliberations may prove beneficial to all concerned, and as a preliminary step, it seems to me, as it will no doubt to yourselves, that a thorough investigation of all the facts of the cases you may have to consider will be the most likely means of promoting the objects you have in view.

APPENDIX.

DIAGRAM SHOWING SCOTCH AND WESTPHALIAN MINERS' WAGES.



AGRICULTURAL WAGES IN CLEVELAND.

During the course of the discussions Mr. J. S. Jeans mentioned my having quoted in another place 17s. per week as being the earnings of the agricultural labourers in Cleveland. This statement being thereupon questioned by Mr. Snow of that district, I have made it my duty to make further inquiry on the subject.

A gentleman who has charge of one of the largest properties in Cleveland writes me as follows:—

'I can state that the average wages for working foremen are about—

' 17s. 6d.	per week	in money.
1s. 0d.	"	in value of skimmed milk allowed.
5d.	"	for potatoes.
3s. 0d.	"	for cottage and garden.
<hr/>		
21s. 11d.	"	in money value.

'Second-class men 16s. per week and same privileges, equal in all to 20s. 5d. per week.

'Plough lads 19 years of age 17l. a year, and their food and lodging—12s. per week—equal in all to 18s. 6d.

'All other married farm labourers are receiving from 18s. to 19s. per week, and find their own houses.

'Women are receiving 1s. per day through the year, with 2s. a day during harvest.'

The above figures are confirmed by information received from one of the largest farmers in Cleveland.

The Unionist view of Possible Remedies for Prejudicial Influences on Rates of Wages and Continuity of Employment.

BY W. OWEN, Editor of the 'Staffordshire Knot.'

To seek a remedy for the ills that afflict the country's industrial life is a worthy effort, and one that is sure to be useful, as, notwithstanding all that it endures, that life is too vigorous, too much under the control of a self-preserving common sense, to adopt as remedies schemes that would tend to increase its evils. Growth to better things must be encouraged from its present healthiest phases. Even working-men are, to a great extent, 'masters of their fates,' and many of the faults that tell against both the continuity of their employment and their rates of wages are in themselves. Trades unity has proved itself a valuable force in securing for the wage-earner improved conditions of labour and better pay. The industries in which the operatives have built up solid, enduring organisations—that

include the majority of the men who follow those trades—show a higher level of wages, and even less fluctuations in employment than those in which unionism is weak or non-existent. The former trades yield to the workers nearly all that is possible to them under the present relations of capital and labour; while the disorganised often obtain less than what is called the market value of their labour through not unitedly asserting their claim to it. Combination of the units of labour is a necessity, if working men would possess equality in bargaining with employers.

Two classes of operatives are prominent in shirking this duty of trade protection, namely, those who are too vicious in their habits to think of the claims of their craft, and those who, while possessing intelligence, skill, and individual thrift, care little for the general welfare of their order, and keep aloof from its trade movements. Labour has equal cause to regret the degradation of the one class, and to blame the desertion of the other. Working-men have need to keep and use all the intelligence they can to leaven and guide them. When some among them fight for their own hand, the weaker men of the class are left an easier prey to the greed that is displayed by some employers, and in the end these weaker links are the real measure of the strength of the labour chain. No devotion to any other good cause can justify a working man who neglects to do his part to improve the industrial position of his fellows. If all who seek to escape from their responsibilities to their class would help, development from within would increase, and working-men would not only be better off in their present position as an employed class, but would the sooner elevate themselves into a more honourable partnership with capital, or become their own employers. It is the loyalty to their order of the most intelligent of English trades unionists that principally gives the otherwise dumb multitude a voice of their own against wrongs endured, and that enables them to effectively claim rights that belong to them.

Mr. Gladstone, in 1867, speaking to some representative trades unionists, said that was the most desirable condition for the working classes that would enable its worthiest members to

most easily rise out of it; but it has always appeared to me that that would be the best condition that would bring the greatest good to the greatest number of those who must remain in the ranks of labour, so inducing some of the best to be contented in the ranks. The growth of a feeling that the position and life of labour is both dignified and honourable would have the best results in lessening the desire to scramble out of the class, and in keeping in it capable helpers who, if they leave it, too often join with others in trampling upon their own order. This feeling would no doubt grow but for the insecurity of the workman's lot, through the irregularity of employment and the uncertainty of the rates of pay; but it is an anomaly which needs correcting, that men should find it more advantageous to leave the ranks of the producers to join the already too large army of non-producers. The organisations of labour are not without fault that they do not, as a body, seek to remedy this by taking up the labour question more broadly. The fact is, the aims of trades combinations are too narrow, limited too much each to their own trades. The Trades Union Congress has won complete legal freedom of combination, and it ought now to put in practice the idea of trade federation. The real identity of interest between workmen of all trades must be acted upon, for only the general elevation will ensure to each branch of producers 'security of the wages tenure,' viz. the following of an employment at just rates of pay, without fearing the competition of an outside army of underpaid labour. My contention, therefore, is that, by the completion and extension of scope of their labour organisations, working-men can do much to remedy many of the causes which influence prejudicially both the conditions and the continuity of employment, and the rates of wages.

I am further convinced that, with this increased and concentrated strength, they would not always be content with regulating wages, and with purchasing their necessities unduly taxed by the present cost of distribution, but would aim to apply their energies and accumulated funds to the perfect unity of capital and labour in productive and distributive co-operation. Wealth would then remain, to a larger extent, in the hands of the people, and a greater level of natural demand would be

maintained, with the consequence that trade would experience much less of the winter of depression and more of the summer of prosperity.

Though contending for more union among working-men, I should prefer to see fewer strikes, and believe that the strength and discipline of the former would ensure the latter. Strikes necessarily interfere with the continuity of employment, though they sometimes win better wages; but equitable arbitration has often brought this advantage without the loss and consequent misery of a trade conflict. But even Boards of Arbitration have sometimes failed to retain the confidence of the operative class because of the great difficulty existing on the workmen's side of ascertaining the real facts and figures of the state of the trade concerned. When the awards of umpires have been based upon unverified figures furnished by employers, a very reluctant obedience has been given by the workmen to the decisions against them, and the arbitration machinery has been discredited. Workmen, in such cases, have a right to claim the fullest information concerning the position of the trade which their skill and labour sustains. This could be obtained, and many other advantages to both the partners in production, by the formation of Boards of Industry composed of workmen and employers, each representing a complete organisation of their own side. Many a trade conflict would have been prevented if the trusted leaders of labour had known independently of, and previous to, an attempt to reduce wages, that the state of trade warranted a revision. Of course I am now speaking mainly of trades in which the rates of wages rise and fall with selling prices.

These Boards of Industry, properly organised and conducted, would be capable not only of regulating wages more satisfactorily and equitably, but also of advancing the best interests of the trades represented by promoting the technical education of the workmen, and the suggestive faculty of the operatives as to improved modes and processes of production might be fostered and utilised by these boards. The friends of the working classes deplore the slow progress made in the practice of co-operative production and industrial partnership. One cause of this is the

little knowledge possessed by the mass of operatives, in the business of their trade, that knowledge being mainly limited to their own manipulative work at the bench. From the merely selfish capitalist standpoint these Boards of Industry will be objected to because they would enable workmen to know too much for the continuance of the present relations of capital and labour; but at least the idea may commend itself to those capitalists who favour the principle of industrial partnerships, to which these boards would easily and naturally tend.

One of the principal causes that influence prejudicially both the continuity of employment and the rates of wages is the application of labour-saving machinery. The artisans of England are too intelligent to contend against such cheapening of production, as they know the result has been beneficial to mankind; but many of them think it is a hardship and injustice which deserves more attention, that those whose skilled labour is often superseded by machinery should have to endure all the loss and poverty, through their means to earn a living being taken from them. If there is a real vested interest in existence which entitles to compensation in some form when it is interfered with, it is that of a skilled producer in his trade; for that skill has not only given him a living, but has added to the wealth and prosperity of the community, and neither the inventor, the capitalist, nor the public at large have a complete moral right to absolutely take from him all his interest in the trade which he has followed. If such Boards of Industry as I have suggested existed, it ought to be within their province to regulate the application of new mechanical contrivances to their trades, giving the workmen at least some share in the labour-saving. As it is now, enormous fortunes are reaped by a few moneyed men, who first apply the machine to supersede labour, in the end certainly benefiting the public, but meanwhile starving the men whose skill had previously been considered part of the nation's richest inheritance. I do not think that this regulation of the application of inventions to industry in the interest of producers as well as capitalists would retard such development, but rather the contrary, for workmen themselves would be stimulated more to exercise their talents

in this direction when they knew that they, and their class, would share in the immediate advantages.

Surplus labour has, certainly, a most prejudicial influence both upon the regularity of employment and the rates of pay. This exists to some extent when trade is moderately good, but when it is depressed, as now, the cry of the unemployed in this country for work and food is pitiable. Recent events prove this. The remedies, without discussing population theories, are the employment of more people on the land at home, and State-aided emigration to our colonies. 'Why were these people born to trouble us?' is the cry of some economists. The reply of the out-of-work poor, and of those only partially employed, through the crowding of labourers, is: 'Surely we have as much claim to be helped from the national funds, so that we may earn our living, as Egyptian bondholders, whose investments have been protected by millions being spent and lent for the purpose.' A great national measure of colonisation would not only relieve the glut of labour at home but in time repay the cost to the nation, by turning those who, by their competition for work, lower the value of labour, into future customers for our home manufactures. I do not think there would be any great difficulty in finding the right men, willing to leave their poverty behind them, if the Government would decide to establish them in the colonies. A fraction of the money that has been spent in useless wars, and a portion of the national income that is misused in finding pensions and places for the rich, would, employed in this manner, confer a great advantage upon the struggling labouring class. If some of that English capital was used for the purpose, under a State guarantee, that is invested abroad, Englishmen would be directly benefited in the use of that capital which their own labour originally assisted in producing.

Some people will say that it is not the proper function of Government to interfere in such a matter; but in the future it will be found that the first obligation of the State will be to the masses of the people. Flesh and blood now do not merely represent work, but actual power; and the bread-and-butter question will have to be considered and practically dealt with

by the statesmen of the future. Our Legislature has hitherto been among the slowest to move of our national machines, where the people's welfare has been concerned. Its greatest triumph—the abolition of the taxes on food—was brought about by a starving people's revolt against its previous unjust enactments; its greatest reforms have been the tardy recognition of political rights that have always existed. The power of the privileged few to hinder proposals to aid the common people, whose energies have made the nation great, has been shattered, and the helpful hand, to enable the toilers to fight the battle of life with the fewest artificial drawbacks, will have to be extended.

The conviction is every day growing stronger that the land of our nation is not yielding all that it is capable of producing in food for its own people. A great number of them should find a living by cultivating it, and then a greater number of artisans will find employment in supplying the English tillers of the soil with manufactured goods. More regular work and higher rates of wages must result. The existence of a single acre of waste land that is capable of profitable cultivation is a national reproach, in the face of our enormous pauperism. The land of the nation should in future do a larger part in bearing the national burdens and in producing wealth.

There is, however, a sense in which more evil is done by the misuse of land, or its products, than by the non-cultivation of it. More than 2,000,000 acres—equal to the area of the counties of Kent, Surrey, Middlesex, and Berkshire—are needed to grow the grain to manufacture the 134,000,000*l.* worth of liquor consumed in this country annually. Mill says 'the legitimate employment of the human faculties is that of compelling the powers of nature to be subservient to physical and moral good,' but here we see enormous waste of human energy and of food, a terrible misdirection of human effort, that tells more adversely than any other single cause upon both the continuity of employment and the rates of wages. In the fifty years from 1830 to 1879 the total amount spent in drink, after adding interest to the principal sum, reached the astounding total of 13,461,000,000*l.*, which is more than half as much

again as the whole capitalised value of all our national wealth, which Mr. Giffen puts down at 8,500,000,000*l.* The yearly cost of drink to the nation is 200,000,000*l.*, or one-fifth of the national income. Reducing the significance of these figures by one-half, as a concession to those who contend for the moderate use of drink, it is still clear that if only the other half had been diverted into the legitimate channels of trade, both more employment and more wages would have been the portion of the working classes. Now that the people have complete political power, this greatest of their industrial enemies must be dealt with, and the practical mode of grappling with it is to throw the responsibility of the trade directly upon the people, by giving them the right in any locality to vote for its abolition or continuance. Let it, then, be brought clearly home to the working classes that the man who spends a large portion of his earnings in drink is an enemy to the community, by being a cause of bad trade and poverty to others, as well as to himself, and then the country will not long have the service of so many throats in the raising of a revenue by practices which mean the squandering of its wealth. At present all that is best in the life of the nation recognises this as the giant social and industrial evil of our time, yet statesmen seem afraid to attack it. Let the task be given to the people. Town after town, district after district, will then free themselves from the fatal facilities for making their inhabitants, not only foes to their own labour and wages, but also destroyers of the moral health of the nation.

Rates of Wages and Combination.

BY J. MAWDSLEY.

THE objects of this Conference are to contribute in a more or less degree some light on the question of whether the various classes of the community obtain a fair share of the products of their industry, and what, in the opinion of those who may take the negative, are the best means of obtaining that result. The

subject is one that has been discussed in one form or another almost since mankind first made their appearance upon the earth, and has probably had devoted to it more scientific skill and brain power than any question of modern times. Under these circumstances I have not ventured to address you with the impression that I could lay before you any new ideas, or even put old ones in a new shape; all that I hope to accomplish is to set before you as clearly as I can the views I myself hold, in common with thousands of Lancashire factory workers.

The subject above referred to is capable of considerable subdivision, and the particular points I [have been requested to speak upon are—1st, the continuity of industrial employment, and, 2nd, the rate of wages.

I may dismiss the first part of my subject in a very few words, for the reason that in the cotton trade we have no complaints to make on the point. Although short time has at rare intervals, but only then in isolated cases, made its appearance, we may, for all practical purposes, say that since the American civil war no system could have given greater regularity of employment than has been the rule with factory workers so far as the regular working of the mills is concerned. I am fully aware that other sections of the great army of toilers have not been in the same position, but seeing that all the leading industries of the country are represented here, it would be a piece of unpardonable assumption on my part were I to give any advice on this point, as the conditions and requirements of the textile trades differ so much from those of most other occupations.

Seeing, then, that in the cotton trade we have little to complain of so far as regards regularity of employment, I may now turn to the question of wages. Without going into minute subdivisions, there appear to me to be four broad systems on which a man may sell his labour, assuming, of course, what is now in England almost universally the case, that he is paid in cash; and they are:—

1. Where the workman stands alone and offers his services to the highest bidder:
2. Where he voluntarily joins with others to produce finished

articles, or do other kinds of work, and receives his proportionate share of the profits in place of, or in addition to, his weekly wages.

3. A compulsory social system whereby every person born into the world would be expected to perform a certain amount of work, the results of which would go into a common fund, from which every person would be entitled to a livelihood.

4. The system by which the men in every trade combine together to prevent undue competition forcing down wages below a fair rate in depressed times; and for securing, when trade is prosperous, a corresponding improvement in their position.

Taking the first, we may roughly assume (as the exceptions were so few as only to prove the rule) that the working classes of England were in that position at the beginning of the present century, and as a matter of fact the majority of them remain so yet. It is held by many able thinkers that it is the proper and natural condition of the labourer; but we do not judge a system by the rule as to whether it will fit in with a cleverly worked out theory of natural laws, but by its results on the workman himself. Adopting this standard, it has been a complete failure. When trade is brisk and the demand for workpeople exceeds the supply, its faults are not seen; but when the reverse is the case we know, to our cost, what starving men and women will do. The result of this is a fluctuation in wages, which is the bane of our class, as when a family have been accustomed to having from the whole of its members and spending, say, 40s. per week, and are reduced to an income of 30s. per week, it is not often that the ordinary rank and file can come down, and in the hope that matters will soon get back to their old standard, they run into debt, and in many cases hamper themselves for the rest of their lives. Although the actual money obtained is less, I consider it better for a family to have 35s. per week for 50 weeks in the year, than 40s. for 25, and 31s. per week for the other 25. In the first case they know what they have to depend upon, and, unless they are depraved, they will act accordingly. But not only does the system of each man acting for himself tend to irregularity in wages; it also

prevents him getting so good an average; as when there is a surplus of labour in the market the price goes rapidly down, whilst in the reverse case it only goes up slowly. Time will not permit me to illustrate these various points, but cases will, doubtless, occur to most of my hearers.

The second system I have noted may briefly be termed 'productive co-operation,' which, for my present purpose, does not include distribution, further than the term will apply to the articles manufactured. This form of working has much to recommend it, but in the present state of society (and it is that with which we are dealing) it fails to satisfy all the parties concerned. If a large centre of population be taken, and a workshop be started on mutual principles, with a carefully selected staff of workmen, it might, and probably would, be a success in industries which were almost, or nearly, confined to our home trade. In industries depending largely for their prosperity on exportation of its products, with its corresponding fluctuations in profits, it is almost certain it will (as it has repeatedly done in the past) break down. The experiment has been tried in the cotton trade, and so long as the operatives received the current wages of the district, supplemented by an occasional bonus, matters went smoothly along; but when profits vanished, and they were asked to assist in making up the losses from their wages, they declined. It might be urged that if the workmen themselves were the capitalists, this would not be the case; but this, from the very nature of things, is impossible. A spinning-mill requiring a capital of, say, 70,000*l.* would not employ more than about 200 hands, and of these, probably, about 60 might be heads of families. Assuming they were all of a saving disposition, there is no need to state that they would not possess the requisite capital to build and work the concern. Capitalists, in the form of outside shareholders, would therefore have to step in, and as in the past they would in the future strongly object to pay above the current wages in good, without a corresponding advantage in bad, years. Where the workman is a small shareholder he attaches much more importance to his weekly earnings than to his quarterly dividends, and if one has to suffer he prefers it

should be the latter ; and if we add to this that the great bulk of workmen are not and do not wish to be investing shareholders in the concerns that employ them, we have ample ground for the assumption that co-operative production does not offer a satisfactory solution of the difficulties existing between capitalists and workmen.

The next method is one which is what I understand to be formulated by the Socialistic party. I have read several of the works issued by the leaders, but I am far from being sure that they will accept my brief description of their aims ; but I cannot interpret them in any other way, when I find them proposing to take over the trading, banking, shipping, railway, and all manufacturing and other enterprises, which are to be managed by the people, who will appoint their own overseers and superintendents, &c., and in which everybody has to be found full employment, under what it is assumed will be satisfactory conditions. This is a glowing picture, but I have not yet seen their proposals for dealing with the idle, the thriftless, and the vicious. Were it possible at one stroke to adopt the system universally throughout the world, without inflicting injury upon anyone by the change, we should in a generation be precisely where we are to-day. The strong-bodied, the strong-willed, and the intelligent portion of the community, backed up by the steady-going members of the rank and file, would occupy the influential and, as a consequence, remunerative posts, whilst the idle, thriftless, and vicious classes would, as at present, fill our gaols and poorhouses. Were it adopted in one country alone, say Great Britain, we should soon be in the position of being a nation of shopkeepers without customers, on account of the immensely increased cost of production. The idea could only be a success when the highest possible ideal of human nature was universally prevalent. It is scarcely necessary to say that the present generation need not make any arrangements which may be required when that time arrives.

The last proposition to which I shall refer for securing the labouring classes the greatest benefits they can derive from their work is—to put it in a manner which all will at once understand—trades unions. It is possible that in supporting

this as the best means for obtaining the end referred to, I may be accused of supporting the 'shop'; but when a man is placed in an official position to support views which he has previously advocated all his life, I fail to see that he should afterwards be debarred from expressing his opinions. As previously hinted, I have not sought to go deeply into the arrangements *pro* and *con.* on the points raised, as with the limits imposed upon me that would be impossible; I have therefore contented myself with giving summarily the views held by intelligent workmen in the cotton trade, and in saying that 'combination' is the nearest approach we can obtain to a perfect system, I am merely stating what we regard to be a simple truism. I am far from saying that 'unionism,' as adopted by the various trades, is perfect, or that we have—taking workmen all round—got near to what we may attain to. We are, however, slowly but surely working upwards, and in the principle I see the possibility of abolishing all pauperism and poverty which reaches the starving point, always, of course, excluding the classes who can never be made to work. In any occupation in England the proportion of respectable unemployed hands, as compared with those in work, is easily ascertainable. To this may be added a certain proportion for sick, and an additional number to represent old people, incapacitated for work; and when this is done, what is there to prevent the whole of the workers in that trade paying such a weekly sum as would cover the allowances required to prevent the persons above referred to from sinking into pauperism? It may be urged that all the workers in a trade could never be induced to join such an Association, and this I admit; but those who refused would just be the parties who would object to join in any arrangement which necessitated their working in harmony and on the same lines as their fellows. All the elements which could possibly render a movement successful are there; they themselves would have sole control of their contributions, whilst at the same time they have before them examples of brilliant success which no other system can lay claim to.

Cotton spinners have probably more difficulty in providing for their out-of-work members than any other class of workmen.

The system by which two lads are employed as assistants to every man makes it self-evident that there would, under the most favourable circumstances, be a large amount of adult surplus labour. When to this is added the fact that the increasing consumption of yarn is provided for by improved and larger machines, without any increase in the number of men employed, the truth of what I have just stated becomes more clear. The circumstances in which the cotton trade is placed prevent any alteration of this system, and the result is, that hundreds of our operatives have to take to other occupations after reaching manhood. This difficulty on the part of our men in obtaining work when once thrown out more than counterbalances the advantages accruing from the regular working of the mills; but as every spinner in the trade has the option of insuring himself against such contingencies, he gets little sympathy if he fails to avail himself of them.

Coming again to the question of how wages can be affected by the principle of combination, we find even better results than in the unemployed, &c., department. We are told by advocates of other systems that workmen do not get more than half the profit on their productions, and I have heard of cases in London where shoemakers have had to turn out a finished article from a proper quantity of leather, whilst his price for the work and the raw material combined did not reach one-third of the retail price in the saleroom. Can any one, however, say that these illustrations represent the actual facts in those industries where the workpeople are properly organised? Trades unionists have been called the aristocracy of labour, and have been accused of selfishness on the ground that, having obtained all they wanted, they refuse to give others a lift up. What we have done can be done by the working classes throughout the kingdom if they will adopt the same means, which are the simplest that have yet been formulated.

I have just referred to the share of profits obtained by workmen (and when using the term 'workmen' I should like to be understood as including workwomen) in our well-organised bodies. Taking our own trade of cotton spinning, I should be cowardly were I to hesitate in acknowledging that, whilst we

are not doing as well as could be wished, yet, excluding a few exceptional cases, we have during the last eight years had, on the whole, nothing to complain of, when put in the balance against the return capital has received during the same period. Not only has our unionism greatly contributed to this result, but where the employers have had the good sense to frankly recognise it and adopt an equitable basis for settling disputes, they are now almost a thing of the past, and we are glad to concede to the Oldham Master Cotton Spinners' Association the lead in this matter. Should any dispute occur in the mills covered by this Association, the secretaries of both sides are communicated with, and they, together, visit the mill and make the requisite observations, after which they give their decision, which is considered by both sides as final. The result of this system is, that strikes as to the conditions of work, &c., at individual firms are practically unknown. In a trade such as ours, which is exclusively worked on the piece-price system, the advantages of such an arrangement are incalculable, both in securing greater regularity of wages for the workpeople and production for the employers; and it is to be hoped that employers in other parts of the manufacturing districts will ere long follow so good an example, and thereby remove any reason for the strikes which are still of constant occurrence.

It may be expected that I should add a few words on the subject of what should be the amount of a labourer's weekly wage, and how it should be arrived at. I may lay myself open to the charge of not having thought much about it, but to my mind it is a very simple question. There can be no arbitrary rules laid down, and such expressions as that 'a family ought to have what will comfortably maintain them' are worse than useless, as some families would take double the amount required by others. I consider that the remuneration of a working-man ought to be the utmost that orderly and lawful means can compel capital to pay. It may be argued that this course will lead to a constant state of industrial warfare; but I answer that if it does, capitalists alone will be to blame. If employers will step down from the pedestal on which the bulk of them stand, and in place of acting as masters simply

consider themselves in the light of tradesmen, who are in the market with a view to arranging on equal terms the price at which they can purchase labour, and are willing to concede the same right of investigation that they claim and exercise themselves; in a word, when as a class they are willing to follow the example of the Oldham Employers' Association, we shall have little trouble on the score of strikes. Such a system would not prevent variations in the rate of wages, but were the hints I have previously given adopted, and a good understanding arrived at, this, combined with the magnitude of the issues involved, would have a powerful influence in steadying both sides.

I have now gone over the ground which, at the outset, I set myself the task of covering. Rapidly I may have travelled, but not too fast, I trust, to have made myself clear, and I may summarise my position by saying that I have no faith in universal State organisation of labour. I believe that co-operative production is good in principle, and may commend itself to a few people and in a limited number of occupations, and as such may be a factor in the improvement of the masses; but if we are to permanently raise the standard of the working class living to a respectable position, we must first and foremost remain a law-abiding community, give every encouragement to capital to settle in our midst; and if this is done, and our workpeople will only organise themselves as they ought and can, they will be able not only to provide for the ills and accidents of life, but also be able to see to it that capital does not take a single penny which cannot, with reason, be proved to belong to it.

DISCUSSION.

Mr. J. BURNETT (Trades Union Congress Parliamentary Committee) said that he was a workman and a trades unionist; he was not there to attack capitalists either individually or as a class. They were met to discuss a system which he and his colleagues believed to be bad, and to see if it were possible to strike out a new idea which would lead to the establishment and the gradual development of a better system. In some respects labour might be termed the modern Midas, for everything that it touched it turned to gold. Unlike Midas, however, it

never suffered through any surfeit of the gold it produced. It was also a noticeable fact, although no allusion had been made to it by capitalist or statistical speakers, that all the advantages that had been effected in the position of labour during the last half-century had been gained by the fights of labour to obtain what it believed to be its rights, and the labouring classes still had to fight to retain their hold upon what they had gained. This fact ought not to be lost sight of, because it was one of the elements in the position of labour which affected continuity in the receipt of wages to a material extent. Much had been said about the increase in the productive power of the country, but figures failed to show what that increase had been. Although it was quite certain that the increase had been attended with great benefit to the community and to humanity at large, at the same time it had inflicted considerable suffering upon the class whose labour had been displaced by mechanical improvements. Unfortunately, as civilisation progressed, and the means of production were increased out of all proportion to the requirements of the world, the number of sufferers was most likely to be a continually increasing class. Therefore, as Mr. Owen had suggested, some means ought to be devised by which labour should obtain its fair share of the increased power of production which improved machinery brought to the world. The inventor or the capitalist made a fortune in a few years, and could retire from trade, but the labour which made the invention a success or produced profits for capital was not placed in any better position. If time would have allowed, he should like to have spoken of the relation of labour to invention and to capital, which was referred to in the paper of Mr. L. Bell, whose figures also he would have criticised. Among things that affected continuity in rates of wages was the exercise of class influence in Parliament. The wealthier classes had continually exerted themselves to defend their own interests in Parliament, and in some cases they had used their influence to retard the progress and oppose the interests of the working classes. Last session the Shipping Bill of Mr. Chamberlain had to be withdrawn on account of the pressure of the shipping associations; and for similar reasons Mr. Chamberlain's valuable Railways Bill failed to pass. The late Postmaster-General introduced a Bill designed to effect some reforms in the Post Office Savings Bank. It was possible that some amongst the working classes might be able to save more than 30*l.* a year, and might wish to have more than 150*l.* in the bank, and therefore he proposed to raise these limits to 50*l.* and 300*l.*; but immediately the banking interest in Parliament brought such pressure to bear upon Mr. Fawcett that he was obliged to withdraw both proposals, and then the labour interest brought such pressure to bear

upon him for eliminating the two best clauses of the Bill that he was obliged to withdraw it altogether. Here are so many instances of the direct opposition in Parliament of class selfishness. The interests of the working people were disregarded by the bankers, who desired to retain in their own hands as large an amount as possible of the capital of the country. We knew that one great cause of the want of continuity in employment was that there were fluctuations in trade, and periods of prosperity brought large demands suddenly. In many trades these were met by working overtime. Every man who works overtime four quarter-days takes away a day's work from another man. If twenty men work a day and a quarter instead of a day, they do the work of twenty-five men. This involved a considerable displacement of labour, and although it might be unavoidable in some cases, yet, by night shifts and by employing relays of men, it was possible to produce the required quantities of goods, and such arrangements would provide better employment for the whole body of workmen. He was afraid that we went in too much for the production of quantity; we were always talking about quantities, and comparing our quantities with the quantities of other nations. We had better—manufacturers and workmen—go in more for quality, as a policy that would be better for workmen, for employers, and for humanity at large; and it might retain for us a share of the prosperity which seemed likely in the prevailing competition to slip away from us. As to the division of the increase of wealth in the last few years the most striking figures had been quoted. It was said that from 1868 to 1879 the increase of wealth had been 242 millions, and of this increase 99 millions went to labour and 143 millions to capital. But to the increase of population labour contributed 97 per cent. and capital 3 per cent.; yet labour received only 41 per cent., and capital received 59 per cent. This seemed to show that the increase of wealth during the last eleven years had not been equitable. What they had to consider now was, not whether the position of the working man had been improved, and whether he got more wages now than he did fifty years ago, but whether there had been that improvement in the position of workmen that they had a right to expect. Everything had been progressing, and we believed the world was better than it was fifty years ago; therefore it was not to be wondered at that wages had increased and hours of labour decreased; it would be monstrous if the position of the worker had not improved. In Mr. L. Bell workmen recognised not only a man of ability, but also one of natural kindness of heart, and therefore they were glad to welcome him, as a capitalist and an employer, on a neutral platform on which these questions were to be discussed. Mr. Bell had given some figures relating

to the chemical trade. Of that trade at one time he had some knowledge, and he recollected the balance-sheet which was issued by Mr. Allhusen, a chemical producer, when he was desirous of transferring his successful chemical manufactory, which had made him a millionaire, to a limited liability company. That balance-sheet would show a state of things different from that described by Mr. Bell. Mr. Bell and he were associated in the settlement of a dispute between chemical operatives and employers in the beginning of 1875. At that time the condition of the workers was almost worse than that of any class of labourers in the country. Not only were they ill paid, but they worked amid surroundings which were incompatible with the enjoyment of physical health. Since that time the wages of the workers were stated to have risen 35 per cent. How was that to be accounted for? The dispute referred to was between the Newcastle Chemical Company and their workpeople. At that time the Company had adopted all the improvements in the manufacture of soda, and they could have produced sufficient soda to supply the wants of the world. Some other manufacturers still conducted their business in the old ways, and had not got improved plant. The result of the arbitration was that the workmen of the Newcastle Chemical Company had their wages reduced about 10 per cent. One agreement of the arbitration was that there should be an adjustment of rates on the principles laid down in all Tyneside works. Mr. L. Bell unfortunately was not associated with him in the subsequent arrangements with regard to those old-fashioned establishments. In the readjustment of wages in those concerns some of the workmen were found to be so underpaid that an advance of 50 per cent. had to be made in order to bring them up to their proper position. That accounted to a large extent for the 35 per cent. increase referred to by Mr. Bell. It also explained the disappearance of those small and old-fashioned firms from the field of chemical operations in the north of England. As to the price of food, that was a question altogether apart from the relation of workman and employer. The question was not how much or how little the workman could live upon; that was a false and bad argument, the tendency of which was to bring the workman down to the lowest point of subsistence. The question rather was, what was the skilled labour employed entitled to? The figures as to the wages of miners in the north of England might have been fairly stated; but what was the position of the miners fifty years ago? They were not then organised for the purpose of obtaining adequate remuneration for their labour as they are now. In Westphalia there was no such organisation, and therefore it was unfair to say, as Mr. Bell had done, that wages were so much lower in Westphalia than they were in England

or Scotland. The fact that the comparison had been made carried with it an important lesson for workmen. Labour has had to fight for all it had gained in the past, and it would have to fight in the future until a better system was devised. Let workmen then join organisations to promote their own welfare, to maintain the position they had gained, and to secure their further advancement in the future.

Mr. W. G. BUNN (Hearts of Oak Benefit Society) said it had been made clear that statistics might be prepared and used in such a way as not to be entirely trustworthy, and therefore personal experience in trade matters was more valuable than second-hand information. He wished to speak from experience in reference to the subdivision of labour among artisans and mechanics, the influence of this subdivision upon the rates of wages, and upon the moral and social status of workmen. He referred particularly to two trades carried on mainly in the metropolis, viz. cabinet-making, and the making of musical instruments, chiefly pianofortes. A great many of the men employed in these trades had almost entirely ceased to be artisans in the real sense of the word, in consequence of the subdivision of labour. Originally, a cabinet-maker was a man who could produce almost any piece of furniture you named; but in the modern sense of the word he was a very different person. The trade was in some workshops so subdivided that often he was very little more than a labourer, in the sense in which that word was used in other trades. Instead of a man being competent to act as an artisan, he was often only able to produce one particular article of furniture, and sometimes only a portion of that article was committed to him. The result was that men, instead of having to learn trades, were content 'to pick up' enough to earn a precarious living. In the pianoforte trade, in which this subdivision was carried even to a greater extent, apprenticeship was almost entirely abolished. It was a cruelty to any lad (often committed in ignorance) to apprentice him to pianoforte making for a period of seven years. It was a cruel waste of time. What would an apprentice learn? He might go to the shop of one of the largest manufacturers in London, and learn only a very small section of the trade indeed, the knowledge of which could be acquired in a comparatively short time, say in one or two years. To his knowledge there were men working in some shops who were employed in no other way than in simply cleaning off and preparing for the polisher. To be confined to such monotonous work must have a material effect upon the rate of wages, and also upon the intellectual capacity of the workers. If you cramp a man's intelligence in one direction you cramp it in all. If a man is

content to live on wages which he can earn without the exercise of intellectual faculties, he is often unfitted to be a citizen, and disqualified for other walks of life, and indeed spoiled all round. The effect of this upon rates of wages can be easily understood; the men who are able to work only in certain particular and limited branches of trade are those who are most frequently out of employment. The other day he met a fellow-workman who had been out of work five or six weeks; the trade had been fairly busy, and three or four men were wanted, but not in his department. The consequence was that he was walking the streets when he might have been working if the trade had not been so subdivided. This man had served seven years' apprenticeship in one of the leading shops in London, and they had turned him out a 'finisher,' utterly incapable of turning his hand to any other department of the trade. Another result of this subdivision was the introduction of 'piece-work,' with its attendant evils of slaving and scamping, which at the present time would describe the condition of a great portion of the pianoforte trade. The introduction of piece-work often had the effect of encouraging bad work and underpaying. When a price had to be fixed, the fair average workman was not taken as a criterion. In every shop there were slow workmen and quick workmen, and very often the slow workman turned out the best work, but frequently the time of the quick workman was adopted as the criterion by which the price was fixed. The natural consequence was that the slow man went to the wall. The quick man would be able to earn 35*s.* or 2*l.* per week, while the slow man, who often did better work, would earn only 25*s.* or 30*s.* This was the case in many shops in the metropolis. It was all very well to point out the evil, but it was much more difficult to find a remedy. He believed that combination among the workmen was one of the most effective remedies. In the trades to which he had referred, combination, in the form of trade unionism, was weakest. In the building trades combination was much more complete. The needed remedy could be applied slowly but surely in promoting a better knowledge of the trade, and in a better diffusion of technical instruction. Nothing was more likely to benefit the condition of the workman in the future than to make him a better man himself. If he were made a more competent and a more worthy man, he would command better pay; and if his work were done in an intelligent and scientific way, it would be more profitable to the man who performed it and to the employer too. If in this technical education you gave a man a better insight into the principles of his trade, you would do much to remedy the evils of which he had spoken. There were hundreds of men in the musical instrument trade who had not the

slightest knowledge of the principles upon which the instruments were constructed. If a person, about to select a pianoforte, sought the advice of a man employed in making pianos, the probability was that the purchaser would be deceived by the advice that would be given him by the ill-informed mechanic. Organisation was important on account of the great influence it might exercise socially. It was a matter of much regret to him that, in workmen's clubs, political objects had been thought of, while intellectual and social objects had been almost entirely ignored. (No, no.) His opinion had been formed from personal knowledge and observation. A great improvement in the management of these clubs would be the establishment of technical classes for men employed in various trades. Such classes did not exist to any great extent, and the fact that where they had been introduced they had not been found to answer was a fact to be regretted. By perseverance these clubs could be made to exert a great influence in the future in improving the position of workmen, and in improving their knowledge of the trades in which they were employed.

Mr. BRADLAUGH, M.P. (Land Law Reform League), said that Mr. Bell had accurately remarked that any comparison of the daily pay of the British and the foreign workman would be misleading, and in making that remark he was speaking of the result to the employer. He would suggest to all who considered the matter from Mr. Bell's standpoint, that the comparison was also absolutely misleading if you disregarded the position of the workmen. You have to take into consideration their habits of life, and the cost of living to the workmen in each nation. The traditional, and he might almost say the necessary standard of living in this country was more costly than was the standard of living in the countries to which Mr. Bell had referred. This had been illustrated to him by his three journeys in the United States. The habits of life of the bulk of the Germans there were less costly than those of English labourers in the same trades; and the Germans lived up to what seemed to be to them a higher degree of comfort than English labourers, on the same or even lower wages. It was for our working men to consider whether it was possible to diminish the cost of living without decreasing the standard of comfort and without decreasing the condition of health necessary for efficient labour. It was generally admitted that in the southern countries of Europe, such as Italy and Spain, labour was not so well fed as in this country, and therefore it was not so productive. Mr. Bell had said it was pleasant to reflect that disputes between employers and employed had been amicably settled by boards of conciliation and arbitration; but no one knew better

than Mr. Bell the difficulty there was in these arbitrations in obtaining reasonably exact statistics on which decisions could be based. There could not be any fair arbitration satisfactory to the men until we had bureaux of the statistics of labour, similar to those which had existed for seventeen years in Massachusetts, which had been established in Connecticut, and in which an experiment had been made to some extent at Washington. We wanted statistics of the cost of living as well as of the wages paid, and by the cost of living he meant more than the bare supply of food and of shelter in the ratio of coal to the engine; he meant the term to include comfort and leisure for the labourer as well as the mere renewal of the strength expended. These returns were wanted for every trade in the country. He did not think that the collection of such statistics would be costly, but the cost must be considered with reference to the result to be arrived at. The little State of Massachusetts, with comparatively small funds, showed what could be done in the collection of useful statistics from all parts of the world—a work for which we had already much of the necessary machinery. Our Consular reports had already been utilised in the collection of some statistics. The form in which the information they obtained was published made it useless to the workman, who could not go through their reports to extract for himself what might be useful. For the use of workmen the statistics furnished by the consuls required to be properly arranged. In England there ought to be an office established by statute for the collection of statistics from employers and employed in all trades. No trades council would be able to do this on its own motion. There was a disposition to make secrets of matters which were not secrets, and which were known to or could be got at by well-educated persons taking interest in the subjects; and it often happened in arbitration that men on each side argued about matters which were known as if they could be concealed. To secure the employment of more labour on land, we wanted legislative enactment. It was a simple matter to provide that all land in the United Kingdom, capable of being cultivated with profit, and not under cultivation or properly utilised, should be forced into cultivation. Of course he was not speaking of land that was in use or enjoyment in connexion with residences or as open spaces in towns, but of land fit for or set apart for cultivation and allowed to go out of cultivation. The penalty in such cases ought to be the forfeiture of the land to the State upon payment of, say, twenty years' purchase, based upon the actual income from it of the seven or ten preceding years, or whatever might be deemed the proper period to take prior to the forfeiture. There was land in the country which, in part or

altogether, escaped contribution to imperial taxes and to local rates, and which ought to contribute to both, besides lessening pauperism by giving employment to the labour that would be absorbed by the cultivation of it. These were points that were worthy of discussion, and having mentioned them he would not, for the sake of speaking, occupy more of the time of so important a conference. (Applause.)

The CHAIRMAN said he regretted that he was compelled to disappoint fourteen speakers by closing the present discussion.

Mr. L. BELL, in reply, said he had been asked whether, in calculating the wages of Cleveland farm labourers, he included foremen, and whether in point of fact the figure he had mentioned was the average of the wages of the district. All he could say was that he happened to belong to the class of gentlemen farmers, and he found the results at the end of the year were what he stated. He then made inquiry as to the rates of wages paid in his immediate neighbourhood. He was assured by those whose duty it was to attend to that part of the business that he was paying the same rate of wages as was being paid all around his own farms.

Mr. SNOW said that did not answer the question he had put yesterday. It was a question of accuracy of statement. He denied the accuracy of the figures given yesterday by Mr. Jeans from Mr. Bell's book as indicating agricultural labourers' wages in the Cleveland district, and he made the denial from his own knowledge. The question he put to Mr. Bell was whether he had collected figures from a majority of farmers or labourers, and he wanted an answer, so that it might be known whether Mr. Bell could verify the figures he had quoted, or whether the denial of them involved a false statement.

Mr. L. BELL said he was not accusing Mr. Snow of making a false statement. Mr. Snow had made a statement to the best of his ability, and he (Mr. Bell) had answered it to the best of his ability. No one could form an opinion as to the state of trade in a district from the statements made in a prospectus for converting a private concern into a limited liability company. When that prospectus was issued the chemical trade was in a state of unprecedented prosperity, and no doubt the vendor and the inventors formed sanguine expectations as to the duration of that prosperity.

A DELEGATE asked whether Mr. Bell could give the average wages of all employed in the rolling mills.

Mr. BELL said that as regarded the blast-furnaces, he could answer the question pretty accurately. The average of the wages earned by all classes at that time was something like 4s. a day for seven days a week, or 28s. a week.

*How far do Remediable Causes Influence Prejudicially
(a) the Continuity of Employment, (b) the Rates of
Wages?*

BY PROFESSOR ALFRED MARSHALL.

I HAVE been asked to say something on the first two questions on our programme to-day. They are far too difficult to be thrashed out at a conference. But I imagine that the object of our meeting is not to argue with one another; that cannot be done properly except in books. It is that, being people of many different opinions, but all having for our supreme aim the well-being of the working classes, we may get to feel less strange towards one another, and to enter more into one another's point of view. My point of view is that of the humdrum economist.

In one sense indeed I am a socialist, for I believe that almost every existing institution must be changed. I hold that the ultimate good of all endeavour is a state of things in which there shall be no rights but only duties; where everyone shall work for the public weal with all his might, expecting no further reward than that he in common with his neighbours shall have whatever is necessary to enable him to work well, and to lead a refined and intellectual life, brightened by pleasures that have in them no taint of waste or extravagance. But I fear that socialists would refuse to admit me into their fold because I believe that change must be slow.

I admit that even now every right-minded man must regard himself rather as the steward than the owner of what the law calls his property. But there are very few directions in which I think it would be safe at present to curtail his legal rights. I admit that Utopian schemes for renovating society do good by raising our ideals, so long as they are only theories. But I think that they do harm when put prematurely into practice; for their failure causes reaction.

Economic institutions are the products of human nature,

and cannot change much faster than human nature changes. Education, the raising of our moral and religious ideals, and the growth of the printing press and the telegraph have so changed English human nature that many things which economists rightly considered impossible thirty years ago are possible now. And the rate of change is increasing constantly and rapidly. But we have not now to speculate for the future; we have to act for the present, taking human nature not as it may be, but as it is.

Even as human nature is, an infinitely wise, virtuous, and powerful Government could, I will admit, rid us of many of our worst economic evils. But human nature is, unfortunately, to be found in Government as elsewhere; and in consequence Government management, even if perfectly virtuous, is very far from being infinitely wise. Where, as in the Post Office, centralisation is necessary, it does better than private enterprise; but when it has had no such advantage it has seldom or never done anything that private enterprise would not have done better and at less cost. The total remuneration that competition awards to men of business is probably less than would in most cases have been wasted without good to anybody if the same business had been done by Government. But wastefulness is the least evil of Government management. A greater evil is that it deadens the self-reliant and inventive faculties, and makes progress slow. But the greatest evil of all is that it tends to undermine political, and through political, social morality. For if a voter thinks that a candidate for Parliament or for the town council seems likely to help him to a favourable contract, or to protection to his special industry, or to a higher salary than his work is worth to the community, then, human nature being what it is, he is likely not to regard his vote as a sacred duty, but to use it for his own pecuniary interests. The greatest calamity that has ever happened to the United States is the political corruption which has grown up through money's being allowed to influence politics. This has not injured the wealthy, who can take care of themselves, so much as the working classes. They have lost a pound for every shilling that Government interference

has given them. Therefore, I say, let us avoid asking Government to interfere in business, whether to make employment continuous or for any other purpose, unless its action will give a very large balance of direct good; for whatever tends to bring money into politics leads to great loss to all, particularly to the working classes. In some cases, as, for instance, in water supply, the direct gain of Government management may be so great as to make it worth while to pay this cost. But in spite of all that has been written lately by socialists, especially in Germany, advocating Government action as a remedy for discontinuity of employment and for low wages, I do not think a strong case has been made out for it. The direct good resulting from it would be small and doubtful, the indirect harm grievous and certain. Leaving, then, others to suggest, if they will, heroic remedies, I shall confine myself to such as claim only to be harmless, and to give a quiet, but in the long run substantial, aid towards making labour more continuous.

Forced interruption to labour is a terrible evil. Those whose livelihood is secure, gain physical and mental health from happy and well-spent holidays. But want of work, with long-continued anxiety, consumes a man's best strength without any return. His wife gets thin, his children get, as it were, a nasty notch in their lives, which is perhaps never quite overgrown.

There is certainly a want of employment now. It is true that statistics seem to show that things are not so bad as they look. This is to be expected. For where labour is specialised and employed in large groups, every interruption is conspicuous and likely to be overrated. In backward countries irregular employment is, so to speak, the rule; as it was in England in earlier days, and is even now with jobbing masons and others who work on their own account. Because it is the rule, very little is heard about it. I believe that, thanks to the breadth of our markets and the freedom of our trade, we are suffering less now than most other nations. Still there is much chronic depression in London, due chiefly to unwise immigration into it (see Appendix A). And there is acute depression in several

districts. It does not make us the better that others have been and are worse off; but this may be a reason for thinking that we are on the whole moving on the right track.

There are some causes of discontinuity of labour which lie outside our scope, such as wars; some which we cannot remedy, such as bad harvests; and some which we should not wish to remedy, such as new inventions. Almost every invention does some partial harm; and as the rate of invention increases so this harm increases. But as there is a large net surplus of good, all that is to be wished is that those who reap the great good should bestow some of it to shield those on whom the harm falls. This is already done to some extent voluntarily; it might be profitable to inquire whether it could not be made compulsory in some cases.

The causes which lie within our scope, and are remediable, are chiefly connected in some way or other with the want of knowledge. But there is one striking, though not very important exception. It is fashion. Until a little while ago it was only the rich who could change their clothing at the capricious order of their dressmakers. But now all classes do it. The histories of the alpaca trade, the lace trade, the straw hat trade, the ribbon trade, and a multitude of others, tell of bursts of feverish activity alternating with deadening idleness. Everyone who changes the material of her dress simply at the bid of fashion, sins against the spirit of art; but she also probably adds to the wreck of human lives that is caused by hungry pining for work. My first remedy, then, is to avoid following all the vagaries of fashion: it would not reach far, but it is an easy remedy.

To pass, then, to the deficiency of our knowledge. I have been struck by the frequency with which, during the last few years, readers of the *Economist* have been warned of impending dangers which have overtaken those short-sighted traders who look only at what is just before them and follow their leader. And the same is no doubt true of the more specialised trades newspapers. In spite of the increasing complexity of business, commercial panics are now much milder than they were; and this is chiefly due to the timely warnings given by the press.

Economic science itself is in infancy; but if the very little it has to teach were generally known by traders, if they were educated to think in a scientific way about the action of economic causes, they would bring to bear an amount of knowledge and mental power that would soon throw into insignificance all that economists know now. My second remedy, then, is more work at economic science; a wider diffusion of the very little that is already known; and an increase of the good work already done by trade newspapers.

One great hindrance to knowledge is the excessive secrecy of traders. When everyone else keeps his business as secret as possible, no one likes to make his own public. But if no one had secrets, everyone would be better off than he is now. Joint-stock companies in general, and co-operative societies in particular, do something towards lifting the veil. But much more is wanted. It cannot be done quickly; but discussion may gradually raise a moral feeling against needless secrecy; and this is my third remedy. Government might do a little; it might begin by publishing income-tax returns in local newspapers; a tax on honesty does harm in many ways.

So far as to honest secrecy: but next as to dishonest. My fourth remedy is to reverse the presumption that if a dishonest bankrupt fails for a large sum of money he should therefore be let off with a small punishment on the ground that he is likely to feel any punishment deeply. In dealing with an ordinary criminal, recklessness as to the extent of the harm he does is a ground for a heavy sentence. This principle should be applied consistently. Given two acts of commercial dishonesty, similar in other respects, but of which one causes injury only to a few, while the other, like the Glasgow Bank failure, spreads desolation through thousands of homes, the latter ought to be far the more heavily punished. If judges could be induced to treat more severely fraud whenever it is found in the high ranks of business, particularly among promoters of companies, the industry of the country would become steadier.

Better and more widely diffused knowledge is a remedy for that excessive confidence which causes a violent expansion of

credit and rise of prices; and it is also a remedy for that excessive distrust that follows. One of the chief sources of disturbances is the action of the general public in providing funds for joint-stock companies. Having insufficient technical knowledge, many of them trust just where they should not: they swell the demand for building materials and machinery and other things, just at the time at which far-sighted people with special knowledge detect coming danger, and this reacts on other trades (see Appendix B). Mistakes of this kind will always be made by *bonâ fide* investors; we can look only for their gradual diminution by the progress and diffusion of economic knowledge. But more wanton mischief is done at such times by reckless speculation. Legitimate speculation benefits trade in the long run; but mere gambling in business is a great and growing evil. Unfortunately, intellectual education, which is a slow but sure cure for drunkenness, is not so sure a cure for the spirit of gambling; though it may show the folly of playing against loaded dice. My fifth remedy is to encourage the growth of moral feeling against gambling, especially amongst the young.

We have already seen that a great cause of the discontinuity of industry is the want of certain knowledge as to what a pound is going to be worth a short time hence. With every expansion and contraction of credit prices rise and fall. This change of prices presses heavily even on those who kept themselves as far as possible from the uncertainties of trade, and increases in many ways the intensity of commercial fluctuations. For just when private traders and public companies are most inclined to reckless ventures, the interest which they have to pay on borrowed capital represents an exceptionally small purchasing power, because prices are high. And in the opposite phase, when their resources are crippled by the stagnation of business, the lowness of prices compels them to sacrifice a much greater amount of real wealth in order to pay their interest. When traders are rejoicing in high prices, debenture and mortgage holders and other creditors are depressed; and when the pendulum swings the other way, traders, already depressed, are kept under water by having to pay an exceptionally

heavy toll to their creditors. This serious evil can be much diminished by a plan which economists have long advocated. In this, my sixth remedy, I again want Government to help business, though not to do business. It should publish tables showing as closely as may be the changes in the purchasing power of gold; and should facilitate contracts for payments to be made in terms of units of fixed purchasing power (see Appendix C).

Time does not serve for discussing the influence of the money market on the continuity of industry. This, though often exaggerated, is no doubt great. There seems to be a growing consensus of opinion that arrangements must be made with the Bank of England, or otherwise, for raising the normal limit of the ultimate cash reserve of the nation. This is my seventh remedy. It would not do much, but it would do a little towards steadying the money market directly and industry indirectly.

Next comes a point that has been attracting increasing attention during the whole of this generation. It is the power of combinations of employers or of employed in a trade, or of both together, to regulate and steady production in it. Such action no doubt sometimes does good to all concerned. But more often regulating the trade means curtailing production. There are exceptional cases in which this is almost necessary for self-preservation; but it always does some harm to the general public, and nearly always this harm outweighs in the long run the net good that the trade itself gets from its self-imposed idleness. If all trades are fully at work, there must be a large total production. Should prices be low, money wages may not be very high; but the condition of the working classes is really prosperous. While prices are falling, business men make small profits, or none; but that only leaves the more of the total large produce to be divided up in one way or other among other classes. On the other hand, if many trades are working short time, there is little produce to be consumed by anybody; and whether the working classes have their wages paid in many counters or few, they are quite certain to be the chief sufferers, and to have very little real com-

mand over the necessaries, comforts, and luxuries of life. At such a time warehouses may be overstocked. But this means not that there are too many commodities, but that the machinery for getting them into the right hands is out of gear for a time.

Now there are many trades in which if those already in them could combine effectively to keep out external competition, they would for a time benefit themselves by producing less. By diminishing supply they would raise prices more than in proportion, and would compel other industries to pay them for a time a larger sum for a smaller amount of goods. They are therefore under a great temptation to do it, if they can. But it is often a short-sighted policy, and it is nearly always morally wrong; because by curtailing their production they diminish their effective demand for the goods of other trades, and thus throw other trades out of work, or force them to work for lower pay. Their action injures others more than it benefits themselves even for a time. Save in exceptional cases, no trade has more right to adopt such a course than other trades; and if all adopted it, all would be poor together.

The sagacity and public spirit of the leading minds both among employers and employed are increasing fast; the recent improvement among the employed in particular is one of the most marvellous events in the history of the world. But while human nature is what it is, we cannot expect them to be so unselfish as never to curtail production when they can benefit themselves by doing it, though at a greater cost to the rest of the community. I therefore cannot regard the regulation of particular trades by trade combinations as tending on the whole to increase the continuity of industry.

But it is true that a committee of the ablest business men in the country, representing not one trade interest but many, might, I will not say regulate trade, but give counsel by which the several trades might regulate themselves. A committee somewhat of this kind does meet once a week in the Bank of England parlour, and it does occasionally give pregnant hints to the public. But this is only incidental to its proper business.

A committee that was not of natural growth, but artificially appointed to give advice, would not perhaps be very likely to succeed. However, as far as pure theory goes, I see no reason why a body of able disinterested men, with a wide range of business knowledge, should not be able to issue predictions of trade storm and of trade weather generally, that would have an appreciable effect in rendering the employment of industry more steady and continuous. I will call this my eighth remedy, though the time has not yet come for putting it into practice.

When considering how such a committee might come together, our thoughts naturally turn to the grand hopes of co-operative federation. I may leave the representatives of co-operation at this Conference to set forth the part which it may play in steadying industry. The obstacles to the management of the more difficult kinds of business on the co-operative principle are I think often underrated; but any piece of solid work that is done on the co-operative plan is a great good. It helps in many different ways to brighten the future of England's industrial life, and for one thing can scarcely fail to diminish forced interruptions of work. This is my ninth remedy; the last with which I shall trouble you now.

Protection has been proposed as a remedy for the inconstancy of industry. I believe that all reasonable arguments and all practical experience prove that it much increases that inconstancy. In fact, though I have heard many able arguments for Protection in countries whose chief exports are of raw produce, I have never read any argument for Protection in England that seems to me even plausible. I believe it would be as foolish, though not quite as mischievous, as the plan sometimes proposed, to try to raise wages by curtailing production all round. A reform of our land laws is no doubt urgent, and it may do a little, but only a very little, towards making employment more steady.

I have left myself no time to suggest any remedies for low wages, except the three that are very important and therefore very commonplace. By the courtesy of the Co-operative Wholesale Society, I am allowed to reprint as an appendix a

paper that is published in their annual for this year. Those who have time to read it will gather that the first of these remedies is the improvement of the methods of production, which shall increase the produce of each man's labour when aided by a given amount of capital. The second is a rapid growth of capital, forcing it by its own competition to accept a lower rate of interest; thus leaving a larger share of a larger produce to be distributed among the different grades of labour. The third, and chief of all, is an increase in the number of the higher industrial grades relatively to the lower, causing the higher grades to give up a larger part of this larger share to the lower grades; thus raising the incomes of all the ranks of the wages receiving classes, but especially the lower ranks.

The highest ranks of industry are not those which have the softest hands or wear the neatest coats. They are those which make the most use of the highest and rarest faculties. A working-man does much better for his son if he fits him to become a responsible foreman, than if he makes him a second-rate clerk or schoolmaster. The foreman will do the higher work, and rightly get the higher wages. The more such men there are ready to rise to the higher posts in the practical management of business, the greater will be the competition for the aid of ordinary labour, and higher will be the average level of wages.

The chief remedy, then, for low wages is better education. School education ought to be good and cheap, if not free. For it makes the mind elastic, ready to take in new ideas, and able to communicate freely with others. But what makes one man really higher than another is a vigorous, straightforward character; and the chief value of book-learning is, that it helps to form this. The work of true education must, in the main, be done by the parents; they alone can teach their children to feel rightly, to act strongly, and to spend wisely.

The first aim of every social endeavour must be to increase the numbers of those who are capable of the more difficult work of the world, and to diminish the number of those who can do only unintelligent work, or who perhaps cannot even do

that. The age of chivalry is not over, it is dawning now in this present generation. For now we are beginning to see how dependent the possibilities of leading a noble life are on physical and moral surroundings. However great may be our distrust of forcible socialism, we are rapidly getting to feel that no one can lay his head on his pillow at peace with himself, who is not giving of his time and his substance to diminish the number of the outcasts of society, and to increase the number of those who can earn a reasonable income and have the opportunity of living, if they will it, a noble life.

APPENDICES.

A.

OVER-CROWDING OF TOWNS.

THERE is much preventable chronic depression in all large towns, especially London, owing to the presence of classes who would do better elsewhere. Ground rents, and therefore house rents, are so high, that poorly paid workers cannot afford decent lodgings: the poverty of the poor is their destruction. Their low earnings make them lodge badly, their unwholesome lodgings weaken them physically and morally, and render them more and more unable to get high earnings. Of course, Government might buy the land and let it out to the working-classes for next to nothing. This could only bribe people to stay where their work is not wanted; after a very short time they would be no better off than before. The only people who would gain permanently would be the London landlords. Taxes levied on the community in general, including the working classes, would be used to enable the owners of London factories to get their labour artificially cheap, so that they could let their factories at very high rents for work that could be done more healthily and more to the advantage of the community elsewhere. If the Government can afford to buy land for the working-classes, let it make more playgrounds and breathing-spaces. Every pound so spent now will yield an income of national health and happiness for ever.

The only cure for the misery of large towns is to have no one there who cannot earn a good deal. Highly-skilled workmen can pay their way well enough, and those unskilled workers who are really necessary for the work of the towns would get high enough wages to compensate them for the dearness of house-room, if only their labour were scarce. But as it is, London in particular is

crowded with shiftless people. Some of them have been attracted by the rumours of the rich charities there. Some have come hoping to better their condition, but have miscalculated their powers and failed. But many more have descended to their present unhappy condition through ill-health, or through the action of causes which are constantly at work, and tend in the course of a few generations to enfeeble the physical, if not also the moral, constitution of the inhabitants of very large towns. Thus the supply of unskilled labour is so much in excess of the needs of London, that it has to compete for employment in several of the world-industries, especially the clothing industries. The wages in these are determined by the competition of other places, where there are no high rents to be paid; and are therefore insufficient to pay for house-room fit for human beings in London. My remedies are two. The first is to enforce sanitary regulations in London, with rapidly-increasing stringency. I would have it given to be understood that the law will be put in force with special strictness in the case of those who come to London in future: the object of this being to deter agricultural labour, and labourers and uneducated immigrants from other countries, from coming to London unless they have some special reason for believing that they will get on well there. This might cause great hardship, unless accompanied by my second remedy, which is that liberal and vigorous action be taken to help those who are in London and are not wanted there to move themselves and their work to industrial villages, where they can get house-room cheaply, and fresh air for nothing. Each of these remedies have great dangers and difficulties, but these will be much diminished if the two are applied together. I will venture to ask those who think the second remedy of importance, to see if they cannot help the society, which (I have recently learnt) has been formed for promoting Industrial Villages; its offices are at 12 Southampton Street, Strand. Its task is most difficult, and wants the aid of all the best practical knowledge that is to be had.

B.

THE INTERDEPENDENCE OF INDUSTRIES.

'There is a partnership in industries. No single large industry can be depressed without injury to other industries; still less can any great group of industries. Each industry, when prosperous, buys and consumes the produce probably of most (certainly of very many) other industries, and if industry A. fail and is in difficulty, industries B. and C. and D. which used to sell to it, will not be able to sell that

which they had produced in reliance on A.'s demand, and in future they will stand idle till industry A. recovers, because in default of A. there will be no one to buy the commodities which they create. Then, as industry B. buys of C. D., &c., the adversity of B. tells on C. D., &c., and as these buy of E. F., &c., the effect is propagated through the whole alphabet. And in a certain sense it rebounds. Z. feels the want caused by the diminished custom of A. B. and C., and so it does not earn so much; in consequence it cannot lay out so much on the produce of A. B. and C., and so these do not earn so much either.'—BAGEHOT, *Lombard Street*, pp. 125-6.

C.

A STANDARD OF PURCHASING POWER.

Government already does work of the kind desired in regard to the tithe commutation tables. But instead of dealing with wheat, barley, and oats, it would deal with all important commodities. It would publish their prices once a month or once a year; it would reckon the importance of each commodity as proportioned to the total sum spent on it; and then by simple arithmetic deduce the change in the purchasing power of gold. Borrowings could then, at the option of the contracting parties, be reckoned in Government units. On this plan, if A. lends B. 1,000*l.* at $4\frac{1}{2}$ per cent. interest, and after some years the purchasing power of money had risen by an eighth, B. would have to pay as interest, not 45*l.*, but a sum that had the same purchasing power as 45*l.* had at the time of borrowing, *i.e.* 40*l.*, and so on. The plan would have to win its way into general use; but when once it had become familiar, none but gamblers would lend or borrow on any other terms, at all events for long periods. The scheme has no claims to theoretic perfection, but only to being a great improvement on our present methods, and obtainable with little trouble. A perfectly exact measure of purchasing power is not only unattainable but even unthinkable. The same change of prices affects the purchasing power of money to different persons in different ways. For one who can seldom afford to have meat, a rise of one-fourth in the price of bread accompanied by a fall of one-fourth in that of meat means a fall in the purchasing power of money: his wages will not go so far as before. While to his richer neighbour, who spends twice as much on meat as on bread, the change acts the other way. The Government would of course take account only of the total consumption of the whole nation; but even so, it would be troubled by constant changes in the way in which the nation spent its income. The estimate of the importance of different commodities would have to be

recast from time to time. The only room for differences of opinion would be as to what commodities should be taken account of. It would probably be best to follow the ordinary method of taking very little account of any but raw commodities. Manufactured commodities and personal services are always changing their character, and are not easily priced. Manufactured tend to fall in value relatively to raw commodities; and at present, at all events, personal services tend to rise; so that the errors made by omitting both probably nearly neutralise one another. Simplicity and definiteness are in this case far more important than theoretic accuracy. Those who make the returns should work in the open day, so that they could not, if they would, be subject to many influences. This plan, though strange at first sight, would really be much simpler than bimetallism, while its influence in steadying industry would be incomparably greater.

D.

THEORIES AND FACTS ABOUT WAGES.

(Reprinted from the Annual of the Wholesale Co-operation Society for 1885.)

1. I have been asked to give an account of the doctrines as to wages held by the past and present generations of economists, with some statement of the actual facts of the case. It is difficult to treat such large questions in a short space; but I hope to be able to give the main outlines of them.

We hear a great deal about the supplanting of old-fashioned theories of wages by newer and truer doctrines. But in fact the change in the theory itself has not been very great. Although a good deal of new work has been added, and the old work has been developed, yet but very little has been destroyed. Almost everything that was ever said by the great economists of the first half of the century is true now if properly understood. Much of it will remain true for ever, or at all events till the glorious time comes when people are willing to work as hard from a sense of duty as now they work for pay. There has been a great change; but it has not been in the theory itself, it has been in understanding how it is to be applied, and how it is not to be applied.

At the beginning of the century, when the great economists, Malthus and Ricardo, wrote, the world was in a miserable condition, which, thank God, has passed away. The general principles which they laid down were almost all true; but their way of expressing them was coloured by the peculiar character of the facts among which they lived. It required a great mental effort to grasp the principles of their reasoning; and the effort was made by but few of their

followers. But it was easy to take hold of isolated sentences and to repeat them without the conditions implied in the context. And this was done. Political Economy became fashionable. In Parliament and the counting-house, in the pulpit and the press, the authority of Political Economy was invoked for all kinds of purposes; but before all and above all, for the purpose of keeping the working-man in his place. Nearly all the greatest economists have been earnest and fearless friends of the working classes; they have been impelled to the study of economics chiefly by a desire to see how far it was possible to diminish the evils of poverty. But Ricardo had very little sympathy one way or the other; and many of those who made themselves a reputation by the confidence with which they misunderstood parts of what he said, were partisans of capital. The reputation of Economic Science has suffered and is suffering for the misdoings of its camp followers.

2. At the beginning of the century the prices of things consumed by the labourer, taken one with another, were nearly double what they are now. And meanwhile the average money wages of manual labour have nearly doubled. There has not indeed been a very great rise in the wages of all occupations; the improvement is chiefly due to the fact that then there were very few skilled workers, while now there are comparatively few who are entirely unskilled. The average income for each man, woman, and child in the manual labour classes was about 12*l.* then, and is not less than 20*l.* now. These classes have now none too much of the necessaries, comforts, and luxuries of life; but then they had less than a third of what they have now. Starvation and disease ran riot in the land.

Some causes of this misery were seen clearly enough by everyone, without aid from the economists. The great war with France had cost about fifteen hundred million pounds; and that was probably a good deal more than the value of everything that was left in the country, except the land. The imperial taxes were 20 per cent. of the total income of the country; the mere interest on the debt was 10 per cent. of it. Next an unparalleled series of bad harvests had made wheat terribly dear: it was frequently over 6*l.* a quarter, and once over 10*l.*

But besides all this, the administrators of the Poor Law were raising up new evils by attempting to relieve suffering indiscriminately. What they really did was to discriminate against the industrious and in favour of the dissolute. Farmers sometimes had to turn away hard-working men who had saved a little money, and make them live on that, in order to make room for drones forced on them by the parish. The industrious were so much worse provided for

than those who went to the parish, that in time independent labourers almost ceased to exist. Wages were lowered all round and eked out by parish pay. He got on best who was the best adept at the arts of imposition. In the South, where the system was carried to the greatest lengths, the labourer has never recovered from the injury thus done to his character and wages. A hundred years ago wages were higher in the South than in the North of England; now they are half as much again in the North as in the South. In these and other ways the Poor Laws did evil. Mischief was done, not by the amount of relief given, but by its being given in the wrong way and to the wrong persons, so as to cause the survival of the worst in place of the best. Probably half of all the lives of extreme misery and want in the country are due to this cause

The nation at large did not get to see this last cause of misery till 1834; but the economists saw it earlier. They looked at the history of England, and found that the working population had been well off when it had been increasing slowly in number, and badly off when it had been increasing fast. They studied the history of wages, and found that wages were once really high; it was just after the black death had destroyed a great part of the population. Again, they knew that from 1700 to 1760 population had been almost stationary, and their wages had steadily risen. But from 1760 onwards numbers had increased fast, and misery had increased faster. Trade, indeed, had grown, and there had been a marvellous series of mechanical inventions, but these had been able to do little to diminish the difficulty of getting food. The economists looked abroad, and they saw poverty wherever there was a dense population. If in any happy valley they found everyone well off, they found then, what we find now, a custom that only one son out of each family should marry. They found that in England before 1760 it was not very easy for a man to get a house for himself while he was quite young; he had generally to go on a good while living with other young men in his father's or employer's house before he could see his way to marry. But since then manufacturers had made so many new openings that it had become the habit for everyone to marry when he wanted to, and to trust to luck. And then later on the Poor Law officers made life pretty easy to the father of a large family, if he would only give up all attempts to help himself and cringe enough to them. Meanwhile, as bread grew dearer, cultivation was creeping up the hillsides. Wheat was grown on miserable land that would not give eight bushels an acre, though more labour had been spent on it than was wanted to raise twenty or thirty bushels on fairly good land.

3. The economists saw all this; and they thought rightly, that at

that particular time there was no truth more important, none on which the philanthropist should insist with more earnestness, than what they called the law of Diminishing Return. This was:—The natural law of the fertility of land is that, other things being equal, an increased application of capital and labour to land will not increase in like proportion the raw produce raised from it. They went on to apply this to the question of wages. If twenty men are employed on a farm and a twenty-first wants to be taken on, he will produce less than the others did, and therefore the farmer cannot afford to pay him so much; and he must therefore take a less quantity of corn as wages. (I say a less quantity of corn so as to avoid all trouble about changes in the price of corn.) The next step will be for the farmer to lower everybody else's wages to his level. The next step will be for the landlord to say to the farmer, 'You get your labour for lower wages (at all events when measured in corn), and so you can afford to pay me more rent; if you do not agree to pay it, I will find someone else who will.' A rise of rents and a fall of wages is therefore, they argued, the necessary consequence of an excessive growth of population. He who truly loves the people will urge them not to marry early.

Now the first sentence of this reasoning has the clause 'other things being equal,' and the conclusions may be invalid if other things are not equal. The economists knew of this condition, but they did not pay much attention to it: and this not so much because they were careless as because it had then no great practical importance. No one, however sagacious, would have anticipated the strange combination of causes which have since then lowered the price of corn: all reasonable expectations were in the other direction. The new machinery was manufacturing things cheaply; but the working-man could not consume many of them himself, and if he wanted to send them abroad and to buy food with them, he had to pay enormous taxes for doing so. The economists were convinced of the advantages of free trade, but they had no hope that the landed interests which then ruled the country could be made to allow it. And even with free trade they did not expect to be able to buy large supplies of corn cheaply, for the wheat lands of America were then chiefly on the poor soil of the Atlantic border. The middle region of America was but little known, and seemed too far off for extensive trade; while the richest wheat land of all, that in the North-Western States and California, was less known than the centre of Africa is now. Since then England has adopted free trade, and railways and steamships have come into existence. So great has been the growth of knowledge, of mechanical invention, and of the aid which capital

affords to labour, that the working-man can buy his bread from abroad at the cost of less labour than he could get it with even in 1760, before the rapid growth of population had set in. The old economists made wonderfully good use of their knowledge as far as it went; but we, knowing what they could not even guess, can see the way to improving the first part of their doctrine of wages. But before doing this, let us look at the rest of it.

4. Great as was the poverty of the English people then, foreign countries were poorer still. In most of them population was sparse, and therefore food was cheap; but for all that they were underfed, and could not provide themselves with the sinews of war. France, after her first victories, helped herself along by the forced contributions of others. But the countries of central Europe could not support their own armies without England's aid. Even America, with all her energy and national resources, was not rich; she could not have subsidised Continental armies. The economists looked for the explanation, and found it chiefly in England's accumulated capital, which, though small when judged by our present standard, was very much greater than that of any other country. Other nations were envious of England, and wanted to follow in her steps; but they were unable to do so, partly indeed for other reasons, but chiefly because they had not capital enough. Their annual income was required for immediate consumption. There was not in them a large class of people who had a good store of wealth set by, which they did not need to consume at once, and which they could devote to making machines and other things that would aid labour and enable it to produce a larger store of things for future consumption. A special tone was given to their arguments by the facts that capital was scarce everywhere, even in England; that the efficiency of labour was becoming more and more dependent on the machinery by which it was aided; and lastly, that some foolish followers of Rousseau were telling the working classes that they would be better off without any capital at all.

In consequence, the economists gave extreme prominence to the statements; first, that labour requires the support of capital, *i. e.* of good clothes, &c., that have been already produced; and secondly, that labour requires the aid of capital in the form of factories, stores of raw material, &c. Of course the workman might have supplied his own capital, but in fact he seldom had more than a little store of clothes and furniture, and perhaps a few simple tools of his own—he was dependent for everything else on the savings of others. The labourer received clothes ready to wear, bread ready to eat, or the money with which he could purchase them. The capitalist received

a spinning of wool into yarn, a weaving of yarn into cloth, or a ploughing of land, and only in a few cases commodities ready for use, coats ready to be worn, or bread ready to be eaten. There are, no doubt, important exceptions, but the ordinary bargain between employers and employed is that the latter receive things ready for immediate use and the former receive help towards making things that will be of use hereafter. These facts the economists expressed by saying that all labour requires the support of capital, whether owned by the labourer or by someone else; and that when anyone works for hire, his wages are, as a rule, advanced to him out of his employer's capital—advanced, that is, without waiting till the things which he is engaged in making are ready for use. These simple statements have been a good deal criticised, but they have never been denied by anyone who has taken them in the sense in which they were meant.

The older economists, however, went on to say that the amount of wages was limited by the amount of capital; and this statement cannot be defended; at best it is but a slovenly way of talking. It has suggested to some people the notion that the total amount of wages that could be paid in a country in the course of, say, a year, was a fixed sum. If by the threat of a strike, or in any other way, one body of workmen got an increase of wages, they would be told that in consequence other bodies of workmen must lose an amount exactly equal in the aggregate to what they had gained. Those who have said this, have perhaps thought of agricultural produce, which has but one harvest in the year. If all the wheat raised at one harvest is sure to be eaten before the next, and if none can be imported, then it is true that if anyone's share of the wheat is increased, there will be just so much less for others to have. But this does not justify the statement that the amount of wages payable in a country is fixed by the capital in it, a doctrine which has been called 'the vulgar form of the wages fund theory,' and which was used for partisan purposes by shallow and dogmatic hangers-on of economic science. Unfortunately isolated sentences can be quoted even from the best of the older economists which seem to support this doctrine. The whole spirit of their reasoning was opposed to it, but those who thought any stick good enough to beat the trades unions with, seized eagerly on these carelessly-worded sentences.

5. Let us, then, look at the doctrine which the economists meant to express by this unfortunate phrase. They saw that if wages rise in one trade without any corresponding increase in the efficiency of work, someone or other must lose what that trade gained. They classed all incomes as rent, profits, and wages. Of course, part of

the loss might fall on rent ; but the economists could prove that that was not very likely unless population diminished. And, therefore, it must fall on profits or wages, or both. If it fell on profits they argued that capital would shrink ; there would be less accumulated wealth with which to pay wages to labour, and supply it with the requisite raw material, &c. Therefore there would be less effective demand for labour ; and so, by one route or another, other workers would suffer for the extra gain got by the first group. The complete argument has a good deal more detail, and in whatever form it is expressed, it takes up a great many pages in every thorough economic treatise. But what has just been given is its backbone.

Now, when one looks at the argument one finds that there is really nothing in it about a fixed wages fund. There is something in it about there being at any time a definite (not a fixed) wages and profits fund. A world of trouble would have been saved if they had used this phrase from the beginning. The French and German economists, though on the whole they had not done nearly so much good work as the English, have never given any countenance to the doctrine that there is a determinate wages fund.

The great difference between the views of wages taken by English economists in the past and the present generation is then this—they all regard wages as paid out of capital ; but while the older economists talked as though wages were limited by the amount of capital that had been already put aside to pay wages with, the younger economists have, for the last ten or fifteen years, put the case in another way. They see that if the efficiency of industry were increased, and more things were produced, higher wages would be paid at once by drawing more rapidly on the stocks already in hand. It might be necessary to be a little careful about the stocks of some kinds of raw produce which could not be replenished very quickly. But with a few exceptions the increased supplies would come in so soon that the stores need never run low. Therefore, the younger economists do not speak of wages as limited by capital. But they say that every increase of capital raises wages, because it increases the productiveness of industry ; it increases the competition of the capitalist for the aid of labour, and thus lowers the rate of interest and increases that part of the total produce which capital is compelled to resign to labour.

6. I will now put together the new version of the economic doctrines in my own words, and illustrate it by a reference to facts.

First, as to what determines the produce of capital and labour. With equal capital per head, equal individual efficiency, and equal knowledge of the arts of production, the amount of raw produce raised per head is greatest in a rich new country that is well settled

but thinly peopled, and steadily diminishes with every increase in the population. But this abundance of raw produce is not of much use to them unless some of it can be sold at a high price to manufacturing countries. Unless this can be done, life in a thinly-peopled country is very hard, because nothing except raw produce can be got easily. That is verified by history. The early colonists of America got freedom and plenty of plain food; but in almost every other respect they were worse off than the English agricultural labourer on 15s. a week is now. If trade with other places were impossible, the law of the total productiveness of industry, counting in raw and manufactured commodities together, would be generally a law of increasing and not of diminishing return. That is to say, an increase in population (accompanied by a corresponding increase of capital) would increase and not diminish the average material well-being—at all events, until the country had become crowded and raw produce had to be raised in very expensive ways. The railway and steamship have improved the condition of all countries, but most of all, those whose population is very thin and those whose population is very thick. As things are, the total necessities, comforts, and luxuries that can be got by given capital, labour, and intelligence, is perhaps greatest where the population is ten to the square mile, and diminishes very slowly with every increase in the population. But it must be admitted that the advantage that America and Australia have over the crowded countries of Western Europe is not quite so great as appears. Real as well as money wages are, no doubt, higher there than here; but the work that has to be done to earn them is harder. Even in America itself many of those who can and will work hardest go West, and wages are therefore much higher West than East; but if the Western men came East they would get more than average wages, and some of the Eastern men who go West find it difficult to get employment.

But of course every improvement in knowledge and in the arts of production, as well as every increase in the capital per head, increases the total production per head. So great has been the increase of prosperity in this country, while population has been growing rapidly, that if we could reduce raw and manufactured goods to a common standard of price, we should probably find the average real income of the manual labour classes now higher than was the average income of all, rich and poor together, a century ago.

7. Passing now from the amount of produce per head to the way in which it is distributed, we may first consider the landlord's share. The old economists, writing when the importation of corn on a large scale was out of the question, said that an increase of population

compelled poorer soils to be cultivated, and raised rents; and they expected a rapid and constant rise of rents in England. It has turned out otherwise. Imported food has been so cheap that agricultural rents have sometimes fallen fast. So that agricultural rent proper, *i.e.* what remains after deducting interest on capital sunk in the land, is now probably not more than it was early in the century. It was then a very important part of the total income of the country—perhaps a sixth part; while now it is certainly less than a twentieth part. But the increase of wealth and population has raised the value of land for purposes of residence, of railways, mining, &c.; so that on the whole the owners of land have probably not lost by free trade.

8. After deducting rent from the total produce of industry, there remains what has just been called the Wages and Profits Fund. But profits are made up of two parts—interest, which goes to the owner of capital, and the earnings got by the employer of the capital. There is a growing tendency to class these earnings, which may be called the Earnings of Management, with other kinds of earnings; so I prefer to speak of this fund as the Earnings and Interest Fund. Just to fix the ideas, I will give a rough estimate as to this. We may take agricultural rent proper and ground rents at about 75 millions. At least 50 millions more are got from foreign investments, which we don't want to count in here. The rest of the national income, that which constitutes the Earnings and Interest Fund for the labour and capital employed at home, is a little over 1,000 millions. Nearly 250 millions are interest on capital, and nearly 800 millions are earnings of labour. This last sum we may again regard as divided up into about 500 millions for the wages of the working-classes, and nearly 300 millions for the earnings of all other classes, including employers. Of course we might go further, dividing up each of these two parts into the shares of many different grades or classes of labour. Each of these classes of labour has its work in production; we may call it a factor of production.

9. Well, then, the great law of distribution is, that the more useful one factor of production is, and the scarcer it is, the higher will be the rate at which its services are paid. For instance, if two skilled labourers, after allowing for the expense of the machinery they use, can do as much work as five unskilled, they will get as much wages as the five unskilled can get should they stay in the trade. Again, supposing an employer can devise such economic arrangements of machinery, &c., as to make the labour of 500 labourers reach as far as ordinary employers would the labour of 600, then his earnings of management will exceed theirs by the wages of a

hundred labourers. But he can go on doing this only so long as there are not many employers like him. If there are, they will compete with one another, lower the price of their goods, and distribute the benefit of their skill among the community at large. These illustrations explain the general principle, which we may now state a little more carefully.

The total Earnings and Interest Fund depends on the resources of nature and the efficiency of capital and labour acting on it. The larger this is, the more there will be to be divided up, and the larger, other things being equal, will the share of each be. Thus, in a new and rich country interest can be high, and the earnings of all classes of labour, from the employer down to the lowest unskilled labourer, can be high. But, other things being equal, if any one factor of production increases relatively to the others, it will become in less and less request. If, for instance, capital increases much faster than labour, without there being many inventions to open up new fields for its employment, capital will go a-begging and the rate of interest will fall. If the number of people who want to do clerk's work increases out of proportion to the population, their wages will fall. If the number of unskilled labourers increases relatively to others, they will find difficulty in getting employment; interest will rise at their expense, and the earnings of employers and of all other kinds of labour will rise at their expense. On the other hand, if the number of unskilled labourers were to diminish sufficiently, then those who did unskilled work would have to be paid good wages. If the total production was not increased, these extra wages would have to be paid out of the shares of capital, and of the higher kinds of labour; but even so, the great aim would have been attained of making the increase of wealth hurry up the diminution of want a little faster. But, if the diminution of unskilled labour is brought about by increasing the efficiency of labour, it will increase production, and there will be a larger fund to be divided up.

10. Now let us apply this general reasoning to the changes in the distribution of wealth in modern England. The leading influence in these changes is, that capital is growing at least twice as fast as population. Population is not quite doubling itself in fifty years, while capital is doubling itself in less than twenty-five. If it had not been for the new uses that are always being found for capital in different forms, it would have been impossible to employ so much with any great advantage. It must have either migrated, or have competed for occupation until it had forced down its price to perhaps one per cent. a year. Even as things are, it has had to submit to a continually decreasing rate of interest; and its loss has been labour's gain.

This change is partly disguised by the fact that when capital is largest its total share of the produce is largest too. For instance, if in California the capital which each workman makes use of is equal in value to his work for one year, while in Lancashire it is equal to his work for ten years, then, though the rate of interest is lower in Lancashire than in California, the fraction of the produce which goes to capital may be six or seven times as large in Lancashire as in California. This accounts for the apparent anomaly, that while the total produce per head is larger in Lancashire, the wages are higher in California. If Lancashire had only as much capital per head as California has, the total produce handed over to capital would of course be less; but that would be no gain to labour. For production could not be carried on efficiently, labour would have to pay a higher rate of interest for whatever capital it did use, and wages would be much lower than they are.

11. The profits of business include the earnings of management got by the employer, as well as the interest got by his capital. But in spite of exceptional cases to the contrary, earnings of management are falling, just as interest is; and for the same reasons. This is a special instance of a great fact that has been noticed in America and on the Continent (especially by M. Leroy Beaulieu) as well as in England. It is that the difference between the earnings in different grades of labour is steadily diminishing. A generation ago so few people got a good education, that for every pound spent on it there might fairly be expected a total return of from perhaps ten to a hundred pounds in after life. But the growth of intelligence has made people more willing to look far ahead; the standard of education has risen in all the ranks of life. So that while the rate of interest on capital invested in material things is about a quarter less than it was, the interest on capital invested in education has perhaps fallen one-half. For each pound invested in education, there is perhaps not more than half as much returned in extra earning in after life as there used to be.

On the other hand, extraordinary natural abilities of every kind find a wider scope and secure higher earnings than ever. If we take as our standard the wages of unskilled labour, there is a steady fall in the earnings that an expensive start in life will secure to people of average ability, whether they be musicians, or painters, or medical men, or lawyers, or, lastly, business men. The fact is much more important, though it attracts much less attention than the fact that in all these occupations people with exceptional ability can make fortunes unheard of till now.

12. Exceptionally favoured men in business get command over

vast capitals, and are thus able to do great things. But nearly all very rich men owe a good deal of their wealth to judicious and fortunate speculation. These gains are chiefly at the expense, not of the general public, but of less successful speculators. In old times fortunes were more even, and if a man failed, his story was long, remembered in his neighbourhood; so a fairly true average of gains and losses could be struck. Now, those who fail are quickly lost to sight; their losses heap up the conspicuous gains of successful men. Partly for this reason, few people are aware how great a fall there has been in the real average earnings of men of business with a moderate capital and average ability.

Parallel changes are going on within the ranks of hired labour. Simple writing, simple machine turning, weaving, and similar occupations are sinking in the industrial scale. Almost anyone with a sound body and mind, and with a little training, is fit for them. But they used to get high wages, because an insufficient number of people had had the training. Not long ago a clerk who did the simplest work got the wages of two or three agricultural labourers. Now he gets, in England, hardly more than the wages of one; in Australia, less than the wages of one. But judgment, self-possession, promptness, and shrewdness, are qualities for which the demand is increasing faster than the supply, though that is increasing very fast. Wages are rising steadily in all occupations in which these qualities are wanted in a high degree; and they are rising most rapidly in occupations which require these together with great powers of physical endurance.

Whenever any new kind of skill is wanted, it is at first rare, and must be paid highly. But if it does not require exceptional natural abilities, there will soon be a good supply of it, and wages are likely to fall. This is, in nine cases out of ten, the explanation of any fall there has been in the wages of particular trades during the last fifty years. But meanwhile new trades are always breaking out that require higher abilities and get higher payment. And in spite of the fact that wages are falling in many trades, the average real wages of manual labour are rising rapidly. It must be remembered that 20*s.* a week now will buy as much as 25*s.* would twelve years ago. Thus there is a constant tendency for the lower ranks of industry to gain on the higher; so that a steadily increasing share of the benefits of progress is going to those who have the greatest need to be lifted up.

But to this rule there is one great exception. Those who have a poor *physique* and a weak character—those who are limp in body and mind—are falling, or if not, it is because they are already as low

as they can go. They are found in greatest numbers wherever there is most wealth, but they are not the products of wealth, any more than thrushes are born of gooseberry trees. There are no feeble people in the Prairies. Some feeble people go there, but they either get back quickly to a large town, or else they die. Charity and sanitary regulations are keeping alive, in our large towns, thousands of such persons, who would have died even fifty years ago. Meanwhile economic forces are pressing heavily on them, for they can do nothing but easy monotonous work, most of which can be done as well, or better, by machinery or by children. Public or private charity may palliate their misery, but the only remedy is to prevent such people from coming into existence. It must be remembered that the poorest of the poor are descended from all ranks of society; probably the upper ranks contribute more than their proportionate share to them. Crime and dissoluteness in one generation often engender disease, feebleness, dissoluteness, and crime for many generations to come. The long chains of evils that thus result cannot be cut short without the active aid of all classes; but if all classes help wisely but boldly, tenderly but firmly, they can, I believe, do it.

13. It would be out of place here to discuss the institution of private property. Assuming, as I do, that it is to be kept up without fundamental change, I think I have shown that though there are still great evils, though there is still much needless misery, yet in the main, and on the whole, the changes at present at work are such as to be desired; only they are not going fast enough. Fast as is the increase in the supply in the higher grades of labour, and the diminution in that of the lower, we want them to be faster. An equal increase in all grades would lower earnings a little, but not much if capital grew fast. But an increase of population may go with a rapid rise in average wages, if the children of each grade are brought up with the intelligence, self-command, and vigour that now belong to the grade above them. Persons in any rank of life who are not in good physical and mental health have no moral right to have children. But in spite of popular Malthusianism, though not in opposition to Malthus' principles, we may affirm that those who bring up a large healthy family with a thoroughly good physical, mental, and moral training relatively to their own rank in life, do a service to their country. If the children emigrate, they do a still greater service to the world. A good training is not complete if it only makes them efficient producers, it must also make them wise and temperate consumers and good citizens.

It is to be hoped that all these children will save a little capital.

of their own, and that some of them will rise from lower ranks to be employers of labour. Everyone who so passes upwards benefits labour in two ways—he diminishes the competition of labour for employment, and he increases the competition for labour on the part of employing and directing power.

If small men of business are being pushed out by big men, big men are being pushed out by joint-stock companies and other associations of little men. These are gradually making the great mass of the nation owners of its most important industries and employers of its ablest and most powerful business men. Among these associations the genuine co-operative societies have the noblest work. Besides his wages and interest on his capital, they are giving the workman high mental and moral aspirations; they afford him a real insight into the problems of business, and they help to diminish industrial strife. They are the best of all known means for enabling an increasing share of the income of the country to go into the hands of those who have the greatest need for it and can turn it to the best use.

Continuity of Employment and Rates of Wages.

BY EMMA A. PATERSON.

THE continuity of industrial employment and the rates of wages are questions of deep interest, not only to men but also to women, for it appears from the latest census returns that, without including domestic servants, girls and women now constitute one-third of the industrial portion of the population.¹ They are often ignored in investigations relating to wages, and truly the amount of their remuneration is in most cases so small, that one might suppose they worked for amusement rather than for a livelihood. Mr. Giffen, in his recent paper on the *Progress of the Working Classes*, makes no reference to working-women. All through he speaks of the 'working-man,' and in the list of thirteen industries which he gives as showing a great increase of wages during the last fifty years, trades in which women are employed, with the exception of weaving, do not appear. I can only suppose that he consigns working-women to the 'residuum still unimproved' mentioned

¹ See Appendix A. p. 206.

in page 20 of his paper. 'Where all are getting on,' he says on the same page, 'it does not seem very practical in those who are getting on slowly to grudge the quicker advance of others.' Women often doubt whether they are getting on, even slowly, in this matter of remuneration for their work, but I think they cannot be accused of impatience about it, and I believe that until they become more impatient, very little improvement will take place in their position.

I have found, however, during my ten years' experience in helping to establish Women's Trade Societies, that many women feel a deep sense of injury and wrong in the fact that their wages reach only one-third or one-fourth of the amount paid to men for any kind of skilled work, though they are not sure upon whose shoulders the blame should be laid.¹ I am taking, and I shall deal especially with, that which should be considered the skilled industry of women, leaving out the comparatively rough work, such as sack making and paper-bag making, ranging from 4s. to 7s. per week. Considering the high prices paid by fashionable ladies for their dresses, there seems to be no good reason why West-end dress-makers should not be as well paid as West-end tailors and tailoresses; yet, in some of the largest West-end houses, time workers receive only 12s. and 14s. per week, and against those amounts must be placed serious deductions at slack seasons, varying from two to three months' loss of work in the year.² The West-end upholsteresses succeeded by means of a general petition to the employers, about fourteen years ago, in getting their wages raised to 15s. a week—the only case of that kind I have heard

¹ Professor Leone Levi, in his statistics of 1878, of the earnings of the working classes, placed the number of wage-earning women at 3,500,000 and gave the average weekly earnings of every woman of full age at 13s. 6d. This high average was obtained by throwing in the very large class of domestic servants—1,300,000 at the census of 1871.

² Since writing this paper I have heard it stated, at a meeting, by a large employer in the London bookbinding trade, that since he entered the business the wages of the men have gone up from 30s. to 36s., 38s., and 40s. per week, but that the same amounts are paid to the women as were paid forty years ago—10s. and 12s. per week. He regretted this, and was glad the women had now formed a trade society, without which those employers who might be willing to pay higher rates could not be protected from the competition of less scrupulous employers.

of—but they are liable to be out of work for three months of the year. We often hear it said that the workers take no share of the risk of a business, that this is borne wholly by the employer, yet the loss of work from dulness of trade is surely a considerable share in the risk, and it is one not felt by the more highly paid workers—the foremen and overlookers. Holidays also have to be deducted, for, unlike the salaried class, workpeople are required to pay for these. In many workshops even Christmas Day and the Bank holidays are deducted from the weekly wages. Enforced holidays, such as a week required for removing machinery and material to new premises, are also deducted. Where both men and women are employed it is not an unknown event for the day of the men's shop-dinner or 'beanfeast' to be possibly the day of no dinner for the women; it is not the custom for them to join in these festivities, but as their work cannot go on while the men are absent, the workshop is closed and the women lose a day's pay.

(a) *The continuity of industrial employment.*—The cause which most prejudicially influences this, with regard to women, I consider to be the length of their hours of work. If not all working-women, surely a far larger number than are at present in regular employment might gain it if there were a general reduction of working hours. This has been the experience of men, who have often striven harder for shorter hours than for higher wages. It is supposed to be a peculiar advantage to women that their hours of work are fixed by law, but what is the boon thus afforded? Twelve hours, with a deduction of two hours for meals—two hours more than the limit men have, in many trades, gained through combination. The Factory Act also provides that in season-trades women may work for fourteen hours, on forty-eight days in a year; it also legalises employment in workshops until four o'clock on Saturday afternoons, and the fullest advantage of this is taken in most dressmaking, millinery, and tailoring establishments, so that the Saturday half-holiday, supposed to be now general in trades, is still unknown to many workwomen, and no money compensation for the loss of it is given. I have heard one restriction much complained of; it is that the dinner hour must be taken before 2 P.M. on

Saturdays, as on other days, so that although the women would prefer to work on until three o'clock and then leave, and have their dinner at home, they are obliged to stay until four and waste an hour wandering about the streets. This is only a small instance, but it is a striking one, of the harassing effect of legislation in matters which could be much better arranged by agreement with the employers. I have but little hope of the reduction of women's hours of work by legislation; for children such protection may be necessary, but women, in this, as in other matters, must work out their own salvation.

I know how strong a pressure is put upon employers by the public with regard to speed, as I have for some years had to do with the management of a women's printing office. The public is a monster of unreasonable impatience. In counting the days since an order was given, it includes Saturdays, Sundays, and general holidays. It also appears surprised that a dinner hour is necessary. 'You should get more hands,' it calmly says—for that barbarous term is applied, even in these enlightened days, to the men and women who toil for the good of the community. It professes, in the abstract, to wish every worker to have constant employment, yet it desires that a small army of unemployed 'hands' should be hanging about, ready to be drawn upon when it wants a piece of work done that in nine cases out of ten might have been ordered at a week's, instead of a day's, notice, and this usually in the busiest seasons, immediately before holiday times, when, fortunately for the 'hands,' it is no easy matter to find them. A Member of Parliament, a prominent advocate of factory legislation, once ordered an Ulster coat so hurriedly, before going on his summer tour, that the Factory Act had to be broken to get it done in time. Employers are naturally afraid of offending a good customer and of losing work, but if they could say that the 'hands' generally all through a trade absolutely refused to work beyond certain hours, they would have a strong protection against unreasonable demands. The reform must come from the determination of the 'hands' to assert that they possess also heads, nerves, and digestive organs, all requiring consideration and attention. It is useless

to plead legal restrictions; everyone knows how easily these are evaded.

The extensive employment of young girls as 'improvers' or 'learners,' often without any formal apprenticeship, is a serious evil in women's trades, and it is one which, so far as I know, can be touched by nothing but combination.

The principal causes prejudicially influencing

(b) *Wages*, are, I believe, so far as women are concerned:—

1. The want of any common agreement with employers upon rates of payment, especially for piece-work, and, in connexion with this, the ignorance of the workwomen as to prices offered for similar work in different localities, or even in the same town; and the want of a fund to fall back upon to enable them to refuse work offered at starvation wages.

2. The absence of any provision such as trades unions afford for the registration of trade requirements, and for the payment of travelling expenses from a town where an industry may be temporarily overcrowded to another where workers are wanted.

3. The absence in certain trades of any apprenticeship. This is especially complained of in East London tailoring.

4. The competition of married women, who work at home at the lowest rates, and without restriction of hours.

5. The cause assigned by John Stuart Mill, viz. 'prejudice.'

6. The demand for cheapness and for low estimates.

7. The cost of overlooking.

8. The prevalence of the sweating system.

9. The diminution in agricultural employment, by which men and women are driven into town trades.

The first three of these causes I need not enlarge upon. They have been met with by workmen who have succeeded in bringing about marked improvements through trade organisation, such as I recommend for women.¹ The remedy is, I think, obvious, but here is just one instance with reference to prices. I have heard of an East-end tailoress going to a West-end house, and offering to make waistcoats at two shillings less than

¹ The men's trades in which Mr. Giffen shows the most marked rises of wages are those that possess the strongest organisations.

the price usually paid there; she did this in ignorance arising from the want of communication with other tailoresses.

It may be urged that the crowded state of needlework trades and the competition of home workers will be an effectual barrier to organisation. But we must remember that only a portion of working-men are unionists; these being, however, the steadiest and most skilful workers, they are able to influence the wages and other conditions of employment, so that if some common standard of prices were agreed upon for women's work, varying, of course, with fluctuations of trade, similar results might be expected. Women who were not sufficiently skilful to earn these prices would probably fall off into other occupations, such as domestic work, here or in the colonies.

Cause 5 would, I am convinced, be beneficially influenced by combination, through which women would gain a higher standing in industry; also by the removal of electoral disabilities, now, I hope, rapidly approaching. Within the last ten years the Home Secretaries of both great political parties (Sir R. A. Cross and Sir William Vernon Harcourt) have refused to receive deputations of working-women upon questions directly affecting their work, and indirectly affecting their wages—the Factory Act and the appointment of Factory Inspectors—although several deputations of working-men on those questions have been received. 'Prejudice' and the want of political power may explain this strange fact.

Causes 6, 7, 8 and 9 would, I believe, be to a great extent remedied by trades unions, but still more by small experiments in co-operation, such as that described by Mr. H. Broadhurst, M.P., in a most interesting article of recent date,¹ and the Working Tailors' Association in Whitechapel. These would be possible in many, though not in all, women's trades, and trades unions would afford the organisation necessary for initiating them. I am glad that the workmen Mr. Broadhurst speaks of 'will not undertake low-price work.' Protests against the nastiness of cheap work are much needed in these days, when many people are taking to bargain-hunting and low estimate seeking, as a new form of excitement. I quote in an Appendix²

¹ *Pall Mall Gazette*, December 11, 1884.

² See Appendix B. p. 207.

some excellent remarks on this subject, from a technical journal which is in itself a specimen of high-class workmanship.

The stimulus given to the worker by co-operation in workshops might diminish the cost of overlooking and 'driving,' now so serious an item; by bringing the workers and customers into more direct communication it would also powerfully tend to diminish the sweating, or 'middleman,' system. I think this directness of contact partly accounts for the fact that the wages of domestic servants and charwomen keep up to a certain level. No sweating is adopted in those industries.

One objection that I wish to refer to before closing is frequently urged against the higher payment of women and the organisation of their trades. It is that men are the bread-winners for a family, and that women work only for their own support. I answer that women also, when their husbands die, become the bread-winners for families; but both men and women who are in this position have at least the comforting thought that in old age their children will help them, and will not, except at the last extremity, suffer them 'to go on the parish.' The large and increasing number of women who reach middle age and old age unmarried have no help of this kind; therefore it is of especial importance to them that their wages should enable them to make provision for the time when they are past work.¹ Another singular disadvantage of women is that, as statistics prove, they live longer than men;² consequently, if they want to buy a Government annuity, they are required to pay a rate of premium higher than the men's rate. Notwithstanding their greater tenacity of life, work-women as they get into years are often weakly and ailing, and are called upon to pay for medical advice or to resort to dispensaries and hospitals, thus burdening the rates, or depending upon private charities kept up by philanthropic people, perhaps by those very employers who have underpaid them for their work. Their ailments, it is said, may be chiefly traced to poor living, close lodging, and overwork. How much, I wonder, of the meat, bacon, ham, eggs, butter, cocoa, coffee, wine, and other articles that Mr. Giffen finds the 'masses' now obtain

¹ See Appendix C. p. 207.

² See Appendix D. p. 207.

more abundantly than they could fifty years ago, can be purchased out of 12s. a week, when there are also rent, coals, light and clothing to be provided, and perhaps an invalid or aged relative to be helped!

A movement in the direction of spreading trade organisation among women has been commenced. It is only in its early stages; no radical change in the rates of remuneration has yet been attempted, but many cases of small improvements might be cited, and there have been successful temporary combinations in the mill districts against reductions of wages, such as that at Dewsbury, entirely conducted by women. One important result has been the admission of women as delegates of their trade societies to the Annual Trades Union Congress, and a marked decrease of the hostility formerly shown by workmen towards the work of women—a natural hostility so long as that work assumed the form of totally disorganised competition.

A centre of agitation and encouragement has been established at 36 Great Queen Street, Long Acre, where an increasing number of inquiries are received from all parts of the country, showing that a feeling in favour of union among workwomen is steadily developing. General information about the movement will be found in the *Women's Union Journal* and other papers published by the Central League.

APPENDICES.

A.

Industrial Class, Males	4,795,178
„ „ Females	1,578,189

Some of the largest industries in which women are employed, in England and Wales:—

FROM THE CENSUS RETURNS OF 1881.

Milliners and Dressmakers	357,995
Cotton, Flax and Lace	355,323
Wool and Worsted	124,855
Shirtmakers and Seamstresses	81,865
Mixed Materials, Textile	59,893
Tailoresses	52,980

Silk	39,694
Shoe and Boot making	35,672
Straw Manufacture	27,983
Hosiery	21,510
Earthenware	17,877
Glove Making	13,261
Bookbinding	10,592
Furniture (Upholstery and French Polishing)	10,014
Nail Manufacture	9,138
Hat Manufacture (not straw)	9,072
Box Making	8,718
Tobacco and Cigars	8,575
Paper Manufacture	8,277

There are 53 industries employing from 1,000 to 8,000 female workers, and a large number below 1,000.

Domestic servants (women) now number 1,545,303; and women engaged in agriculture, 64,840.

B.

'Besides compelling the use of the basest materials, the demand for cheapness debases the art of the printer by discouraging any effort at perfection on his part. Instead of doing his work in artistic fashion, with excellence for his aim, the journeyman, harassed by pressure to do his task within a space of time wholly inadequate for its proper performance, produces a result which otherwise he would be ashamed of. No consideration whatever is given to the manner of the work, so long as it is done in as short a time as possible.

'Not only in printing, but throughout all the industries, the wretched results of the tyranny of competition are seen, and, alas! workmen go on making cheap and nasty things until they lose the ability to make anything good at all.

'Fortunately there are some customers who know good work from bad, and they take pains to seek for it, and are content to pay a fair price for it when found.'—*Caslon's Circular*, 1884.

C.

Unmarried women 35 years of age and upwards, in England and Wales, 595,971.

D.

Women aged 70 to 75	191,622
Men " "	158,333

DISCUSSION.

Mrs. ELLIS (Huddersfield Pattern Weavers) said that she held in her hand a pamphlet written a short time back by Mr. Giffen, in which he said that pattern weavers in Huddersfield earned 16*s.* per week fifty years ago, and at the present time 25*s.* To this statement she must give an emphatic denial. To-day the men weavers in Huddersfield did not average more than 20*s.* The women were paid from 15 to 30 per cent. less than the men, and did not average more than 15*s.* per week. Pattern weavers were the best of weavers, who were expected to earn more than other men. Again, Mr. Giffen said that fifty years ago weavers had 12*s.* per week, and at the present time 26*s.* True, they get more money now than was paid fifty years ago, but that did not prove that they got a fair share of the profits. I may say (continued Mrs. Ellis) I have woven hundreds of yards of the cloth I am wearing at 6½*d.* per yard; and if you look at it, Sir (presenting the corner of her mantle to Sir Charles W. Dilke, to the great amusement of the meeting), you will find that most of it is shoddy (great laughter), and the warp is cotton. Certainly there is a bit of good worsted on the face. (Renewed laughter.) I have often heard that the worsted costs 2*s.* 6*d.* per pound, but one pound will weave more than a yard. Of course it has to go through other hands than mine, but when it is sold at 9*s.* per yard, I don't think I get a fair share of the profit. (Applause.) Then, again, since I can remember, which is not quite fifty years ago, the manufacturers in our district were quite content to live in houses of not more than four rooms, with one maid of all work. (Hear, hear.) But what do we see to-day? We are surrounded with villas that are almost mansions, compared with those their forefathers lived in, and quite a staff of domestic servants. To my mind, manufacturers are not content now if they do not make more money in twenty years than used to be made in fifty. I conclude by saying with a poetess,—

We ask a fair price for our labour,
That men may be honest and true,
In justice to peer and to peasant
We'll give honour where honour is due.

(Loud cheers.)

Mr. G. SEDGWICK (Boot and Shoe Riveters and Finishers' Union, Leicester) said that the questions under discussion were of special interest to his trade, which had been revolutionised by the introduction of machinery and subdivision of labour. Under the hand-sew method of shoemaking a man did all the work at home, and home

were thus made workshops for the manufacture of employers' goods, and he regretted to state that the same evil largely obtained under the new system. The workman had, involuntarily, to lose much of his time going to and from his employer's shop, and being kept waiting about for work. This not only engendered unsteady habits, but also compelled the man to work almost day and night, in order to make up for the time so lost. Physical exhaustion naturally followed, and any desire for mental improvement was gone. This state of things could be remedied by the employment of the workmen upon the premises of the employers, thereby bringing about more regular, if not continuous work. The majority of the men in his trade would be very much surprised to hear statements that were made as to the average of their earnings. There were not, he estimated, more than forty-four working weeks in a year. The loss of time incurred in waiting for work fell to the worker by piece. The employer had little or no inducement to facilitate the distribution of work for the benefit of workmen; if he did, his weekly wage staff would have to be increased. The highest estimate that could be given of the wages of working shoemakers, taking the whole country, was 23s. a week, and few gentlemen would say that that was an extravagant wage, likely to be spent in 'champagne' or in 'legs of mutton for dogs.' (Hear, hear.) The detestable system of 'sweating' still prevailed in the trade, in which a number of young boys were employed as half-timers. As a member of the Leicester School Board, he had visited the schools attended by half-timers, and he found the boys were often so exhausted that to secure proper attention to the lessons being taught was a most difficult matter, the efforts to make them pass the standards and earn the grants adding mental to physical exhaustion. This evil could be remedied only by inducing the manufacturers, instead of employing men under the 'middleman,' or 'sweating' system, to have all the workers inside the factories under proper supervision. This would reduce to a minimum the large number of half-taught boys and unskilled men that now bring so much discredit on the trade. (Hear, hear.) He and his fellow-workers did not oppose machinery at all, although its introduction was detrimental to some of the best interests of the workmen; he did hold that they, as workmen, had a right to participate in the profits that are brought by machinery. It was of no use saying, 'Look at the vast good machinery is conferring upon the community!' What good was it to a man to talk about the good you were doing to those who were comparative strangers to him, if you were bringing starvation and misery into his home, by reducing his wage and taking the means of living from him? Machinery and the subdivision of labour

combined were destroying the pride that the shoemaker used to have in his work. At one time, no tradesman in the world could be more proud of his work than the working shoemaker; but, unfortunately, in consequence of the introduction of machinery and the division of labour, this was no longer possible, as the parts of a boot on which a man had to spend conscientious labour were so small that they could not be seen when the boot was made. The *esprit de corps* of the old cordwainers was being entirely lost with the new system of manufacture. There was no reason why a man should not take pride in his work, under a method that paid him to do it in a proper manner. While employers were complaining that we were losing our trade by foreign competition, they did not endeavour to point out why it was going. If they left the boys, just entering the trade, to try and pick it up as best they could, they encouraged unsteadiness and other bad habits, for the boys were compelled to go from shop to shop and from town to town endeavouring to learn a trade, which should have been taught by skilled workmen and under proper tuition. (Hear, hear.) For the workman to know only a small portion of his trade reduced his chance of continuous employment to a minimum, lowered the price of labour, and flooded the labour market. In his opinion, therefore, remediable causes do influence prejudicially—(a) Continuity of industrial employment. (b) The rates of wages. (c) The well-being of the working classes. Whatever statisticians might say, the workmen would never feel content until they had that portion of the profit on their labour which they had honestly earned. (Applause.)

Mr. H. W. ROWLAND (Cab-drivers' Society) said it might be presumptuous in him to contest propositions laid down by Professor Marshall, but he felt bound to contest a most essential portion of the professor's paper. A man who had stood well at his university, and taken the stroke oar of the university boat, was able to fight the battle of life better than a mere bookworm. Among workmen, exactly as among university men, a man who took a proper interest in sport did sometimes commit the crime of looking at a sporting paper, and he was as good a man or better in all that concerned the welfare of his fellow-men, as the man who had never seen a boat-race, nor committed the crime of witnessing a running match. Last Sunday he went from one end of London to the other to assist in organising, in one of the poorest parts of London, a public procession with the object of getting a few shillings for a convalescent home some distance from London organised by working people. A member of his society came up to him and said, 'You are walking the streets. The people want something to liven them up. If your hospital

demonstration does nothing else, it gives them a little change. Can you wonder,' he said, 'at the people here having half a crown "on" now and again, and enjoying the excitement of waiting a week or ten days until the event comes off?' (Laughter.) Without the sporting press, in his humble judgment, the life of workers would be considerably duller than it is now. (No, no.) At Derby on Boxing Day there were 6,000 people on the racecourse watching the game of football. It was a cold and miserable day, and that was the only change that strait-laced Derby had to offer the poor working people on their holiday. If they had gone to the reading-room, 5,800 of them would have had to wait outside for their turn to enter. Could you blame them for reading the sporting papers, and sometimes having half a crown 'on' a race? A terrible amount of misery was produced every year by gambling on the London Stock market and the bourses of the world. In two days they had only touched the fringe of the question. Had they had the same opportunity of exposing the tactics of the Stock Exchange and the bourses, as the sporting press gave them of dissecting sporting juggles, they would be in a considerably better position for dealing with the question. The continuity of employment was not a matter so much affected by the consideration whether he could live on a shilling a day or his neighbour on 1s. 3d., as it was affected by joint-stock operations to gain 10 per cent. or 15 per cent. by juggling with labour all over the world. The man had not arisen who could lead them out of the difficulty. If he did arise, he would have to thoroughly overhaul the operations of the stock markets of the world. The excitement of Frenchmen on the Paris Bourse exceeded that in the betting ring of English racecourses. (Question.) In his opinion this was the question. The misery was really imposed upon us by the stock markets of the world. The juggling that went on in them had more than anything else to do with the continuity and the proper remuneration of labour all over the world.

Mr. NEIL McLEAN (Edinburgh Trades Council) said that those who were forced into competition with the labour of women knew that the tendency of employers was not to raise the wages of women to the level of those of men, but it was rather to lower the wages of men to the level of those of women. In a vast number of industries in which the labour of women was employed, the sweating system prevailed, and this practically set at nought the Factory Acts, as they could not reach the women in their own homes. Indeed, the Factory Acts as they were administered were a farce. Mrs. Paterson recommended stopping an hour earlier on Saturdays instead of breaking off for dinner. But in Edinburgh there was no recognised dinner-

hour on Saturdays, and labour was continued for seven and eight consecutive hours without the slightest attempt on the part of the factory inspectors to stop the work. One means of promoting continuity of labour would be a more stringent bankruptcy law. It was to a large extent reckless speculation, that in times of prosperity caused the production of goods in excess of all purchasing power. Crises ensued, rates of wages fell, and many were deprived of employment. A more stringent bankruptcy law would do something to diminish reckless speculation.

Mr. JOSEPH HOPE (Scotch Railway Servants) said that Mrs. Paterson gave it as her opinion that reduction of hours would tend to continuity of employment. He believed it was true, and it was equally true with respect to railway servants. If the hours of railway servants were reduced, as they ought to be, many more men would be required. Mechanical appliances had involved more work on the part of railway employes. Many pointsmen had six times more to do than they had a few years ago, and their hours had not been reduced. Pointsmen were kept on duty as a rule 12 hours per day, and they had often to work overtime, and these long hours kept down wages, because at the end of the fortnight the managers added up a man's wages, and they said, 'Why, you are the best paid workman in the city.' And yet the rank and file of the body were among the worst paid, taking into account the long hours worked and the responsible and hazardous nature of their employment. If the hours of the pointsmen and others were reduced, and overtime prevented, the well-being of the whole service would be improved. In this respect no doubt railway servants might do more for themselves than they were doing at present. Railways had been created by the Legislature, and it was its duty, on public grounds, to reduce the hours of railway servants, and to give them better opportunities of reading and thinking. If something were not done, there would be loud complaint, for, in comparison with other classes, the opportunities and advantages of railway servants were unjustly limited.

Mr. A. H. DYKE ACLAND (Central Co-operative Board) said that if the Conference were to lead to anything practical, one valuable outcome would be careful statistical inquiries, conducted, not by one class of people, but by representatives of all classes, including especially the working classes. Mrs. Paterson alluded to the suggestion made by Mr. Broadhurst in the *Pall Mall Gazette* the other day as to the direct employment of workmen who co-operated in executing contracts. We were always thinking how we could promote the employment of workpeople with their own capital, and all the time many of the co-operative societies had so much money they did not know what to do with it. The problem for society as well as co-operators

appeared to be, how could this capital be usefully employed for the advantage of working people in carrying on work to be managed by themselves! Between the years 1862 and 1872 the capital of the co-operators increased about twice as quickly as at the present day. The reason why it was not accumulating so rapidly now was, because the co-operators did not know what to do with the money. Whereas the Industrial and Provident Societies Act allowed each member to hold 200*l.* of share capital in his society (upon which in nearly all societies 5 per cent. was paid), many societies now were saying to their members, 'You shall not leave more than 100*l.* or 50*l.* or even 30*l.* with us.' So the money which might be saved out of the accumulation of dividend on purchases made at the store was thrown back on members and often wasted. This happened even among agricultural labourers. In an out-of-the-way agricultural district there was a store, managed by farm labourers, which did a business of 17,000*l.* a year, though the village in which it was situated had only a population of 1,100. They had accumulated so much money that they did not really know what to do with it. One member of the store said he had in his house 6*l.* more a year than he had ever before; not given to him by anybody, but made for him by the society to which he belonged. Another shareholder said he had 'eaten and clothed himself into a house:' what he meant was that he had saved money in dividend on his purchases on food and clothing at the store which had remained at the store at 5 per cent., and with which he had bought a house. This accumulated capital was being now thrown back upon the members because the co-operators did not know what use to make of it. A question well worthy of consideration was, how to utilise such capital in productive or manufacturing enterprise by working people so as to make 5½ per cent. upon it, instead of so many thousand pounds lying comparatively idle at the bankers of the co-operative societies. Several societies had upon 30,000*l.* to 50,000*l.* lying idle at their bankers. These societies paid 5 per cent. to their members on their deposit. If a safe 5 or 5½ per cent. could be made by productive work to supply their own stores there would be tens of thousands of pounds forthcoming from the societies for investment. If we were to improve in matters of this kind, thinking people might well occupy themselves with this subject with a view of furthering the important principle of helping people to help themselves.

Professor MARSHALL, in reply, said he agreed with two-thirds of the speech of Mr. Rowland, who, however, was mistaken in regarding him as a bookworm. As to thousands of people watching a football match, and keeping up their interest in spite of the bitter cold, it was one of the grandest things in the world. As far as a sporting paper told one how games were carried on, instead of

encouraging readers to bet upon them, he had nothing to say against it. A reference to his paper would show that on this point he had been misunderstood, and that in what he said about gambling he was not speaking of the working classes chiefly; he was speaking about the gambling spirit that had invaded the most progressive countries of the world, and was a greater evil for the future than drunkenness; for though not as great an evil now, it was likely to increase while drunkenness diminished. That conviction was forced upon him fifteen years ago, when he was assisting German working men. He had high ideas of what the Germans would do with their leisure; to his horror he found that a great many of them spent a great part of it in petty gambling. He also found that working men in America were being tempted away from the noble opportunities before them, and were speculating largely in mines; even servant girls were doing it. In writing the paper, however, he had not these things so much in view as he had the interruption to industry caused by illegitimate speculation in business; and that illegitimate speculation was fostered by a habit of gambling which was encouraged even among little children, who would bet on races. He maintained that reckless gambling was in all classes a great evil, and that advancing education did not stop it, although it did stop drunkenness. It was on this account a much wider and further reaching evil, and it was one that would have to be circumscribed, unless the working classes were prepared to see their industry thrown out of gear a great deal more than it had been.

Mrs. PATERSON, in reply, said that no one had disputed the lowness of women's wages, and, indeed, as a fact it was generally admitted. She hoped that workmen would do all they could to help women to form societies. The working out of figures in regard to men's wages was helping trades unions greatly, by showing that trades unions had been able to raise wages, in spite of the declarations of professors years ago that they never could do it. As they had done it for men, there was hope that women's unions would do it for women. It was not necessary to quarrel with statisticians about their figures; let them enjoy their statistics. Working people knew that trade societies rested on something far deeper than figures—on sympathy, and fellowship, and experience. If workers had listened to those who said that unions would not stand unless based upon strict actuarial calculations, much good would have been left undone, for so high a rate would have been fixed as to deter many from joining; but workers had learned that figures did not rule everything in these matters. (Hear, hear.)

he was going on Mr. Dudley Baxter's figures, with some modifications. Mr. Mulhall had published no estimate in detail of the wages of the working classes, and, therefore, ought not to be compared with either Professor Leone Levi or Mr. Dudley Baxter on this matter. But the last two authorities might fairly be compared: Mr. Baxter excluded from the wage-receiving class, foremen, overlookers, &c., whom Mr. Levi reckons, as most other people do, among them. Also he assumed as the basis of his estimate that 20 per cent. of the working classes were habitually out of employment. Most people thought that too high. Lastly, Mr. Baxter took the year 1867, when there was a great deal of depression: Professor Levi, 1866, when things were much better. Allowing for these differences they would find the results of these two careful statisticians agreed very closely, and were on the whole trustworthy. In all ages of the world there had been a general tendency to believe that men were now worse off than their ancestors, and that all the things they had to wear were of inferior quality to the clothes worn in old times. It had been stated, in the course of the discussion, that the quality of fustian was 125 per cent. worse. Test that statement by reason. Cotton had never been cheaper than it was now; at the beginning of the present century it was 1s. 6d. per lb.; it shortly fell to about the price at which it stood now. It had, since that fall, remained at the same price, except during the American War. Meanwhile, there had of course been great improvements in the machinery by which fustian was made. The Hebden-Bridge Fustian Co-operative Society was admirably managed and they could trust its accounts. If it was true that thoroughly bad material could be sold at nearly the price for which material was formerly made; if it was true that the Hebden-Bridge Society bought its raw material quite as cheaply as it used to be bought, that it had better machinery, and not very much higher wages, then that Society ought to be able to divide 300 per cent. per annum on its capital. As they did not make these large profits, it was clear either that wages had risen enormously, or that good fustian was to be had cheaper than before. [A Delegate: What about the paper boots?] There had been bad things in all times. Mr. Lloyd Jones had said that popular rumour should be trusted as to the state of depression in the country. If they read history they would find that, out of eighty-four years in the present century, there had been about fourteen in which there was no murmur of depression in industry; in all the others there had been. If they looked into the details they would find far greater misery than any that was at all common now. In the year 1840, in Liverpool, there were as many as 30,000 persons living in 8,000 cellars; none of the cellars