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BRITISH WAGES BOARDS
A Study in Industrial Democracy

BRITISH WAGES BOARDS
A Study in Industrial Democracy

BY
DOROTHY SELLS

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DIRECTOR'S PREFACE

Nearly half a century has elapsed since New Zealand—a young agricultural country—inaugurated minimum wage legislation, and thirty years since Great Britain, then the stronghold of *laissez faire* doctrine and the foremost industrial nation of the world, took its first legislative step in the same direction. With the bringing into operation of the Fair Labor Standards Act on October 24, 1938, the United States takes its place among the large and growing number of nations whose governments have adopted legislation of this general type. In view of the complexity of the administrative task involved in this new phase of government activity, it is fortunate that we are privileged to draw upon so vast a body of experience as has been accumulated by other governments that have gone before us in this field.

It seldom proves feasible to import full-fledged the machinery or methods of operation which have been devised in another country to meet its peculiar needs. At the same time, it seems reasonable to suppose that out of the broad experience of other countries in dealing with minimum wage legislation as both to industry and to agriculture, certain principles, methods, and expedients have been developed, and even some illuminating mistakes made, which should afford guidance to those concerned with the administration of a similar undertaking at any time or in any place. We deem it opportune, therefore, to present at this time a detailed study of the British experience.

Miss Sells had an unusual opportunity to study at first hand the operation of the British Trade Boards system

during its early formative years. The outcome of that investigation was published in 1923 as one of the London School of Economics Studies in Economics and Political Science under the title, *The British Trade Boards System*. The present study may be regarded as essentially a sequel to that volume, incorporating the results of further study covering the more extended period of operation now available. For this further study, and at the suggestion of Mr. Leifur Magnússon, director of the Washington branch of the International Labour Organization, Miss Sells was sent to England in the winter of 1937-38 by the International Labour Organization and the Bureau of Labor Statistics of the United States Department of Labor. Since her return to the United States, she has been attached to the staff of the Institute of Economics in order to provide her opportunity for digesting the mass of materials collected and for developing her interpretation of their meaning.

It is our hope that this study of Great Britain's experience with minimum wage legislation will prove useful to legislators, administrators, members of wages committees, and others dealing with problems of this type, as well as to those members of the public to whom minimum wage laws apply and others who have a general interest in the relation between the state and industry.

The committee of the Institute cooperating with the author in the preparation of this volume consisted of E. G. Nourse, Horace B. Drury, and Maurice Leven.

EDWIN G. NOURSE

Director

Institute of Economics,
April 1939

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For efficient work connected with the charts, tables, and certain details of research, I am grateful to Miss Louise Bebb of the Brookings Institution staff. To P. S. King and Son, Ltd., of London I am indebted for permission to use parts of *The British Trade Boards System* published by them in 1923. But for the opinions and interpretations expressed herein I assume sole responsibility.

DOROTHY SELLS

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BRITISH WAGES BOARDS
A Study in Industrial Democracy

FOREWORD

"A living organism must take the place of a mechanical instrument if the public good is to be served."

—SIR RUPERT KETTLE

Prior to 1933, minimum wage laws had been adopted by 15 states of the Union, (Puerto Rico, and the District of Columbia,) but only 8 of these were operative in 1932. Moreover, the scope of these acts was confined to women and/or minors, whose wages were exceptionally low owing to lack of both individual and collective bargaining power. Fostered by expanding markets and technical improvements, both the nominal and real wages of the majority of employed persons had been rising almost steadily for a century or more and were high relative to the wages generally paid for similar work in other countries. There was consequently little pressure for extending wage legislation to include male workers before the decade of the thirties.

Following 1929, however, the scenes in the economic drama of the United States changed. Decreasing business activity, decreasing wages, and decreasing employment brought the minimum wage issue to the national stage in 1933. With passage of the National Industrial Recovery Act in that year the field of wage legislation was also extended to include male workers as well as women and minors. A decision of the Supreme Court rendered this first law embodying federal minimum wage provisions unconstitutional in 1935.¹ But in June 1938 another type

¹ Between 1933 and 1938, minimum wage legislation was adopted by 12 new states, one law applying to men as well as women and minors. Seven of the 9 laws inoperative in 1932 were revived and these, together with the 8 laws then operating, make a total of 27 state minimum wage laws including those of Puerto Rico and the District of Columbia.

of federal minimum wage legislation was adopted in the form of the Fair Labor Standards Act. The country consequently faced with a new set of administrative problems involving application of federal wage and hour provisions to perhaps 11 million men, women, and children working in various industries throughout its continental area.

The new importance which the minimum wage has thus assumed in the United States raises two fundamental questions with regard to legislation of that kind, one a question of principle, the other of method: (1) Is minimum wage legislation advisable? and (2) What is the best method of applying the minimum wage principle under a democratic régime? The answer to the first of these questions obviously depends upon two factors: the social philosophy of the person attempting to answer it, and how application of a minimum wage works out in terms of its objectives. In the nature of the case the author must leave each individual reader to determine for himself whether a minimum wage is a good thing by the light of his private conception of the good society and of the economic requirements of our industrial system. It is rather to the method of applying the principle that the author addresses herself in this book, although the study of actual administrative experience under circumstances most nearly comparable with those in the United States will doubtless be found significant by any one trying to make up his mind as to the soundness of the principle itself.

For the purpose of studying minimum wage adjustment in practice the wages board system of Great Britain has been chosen for intensive examination. This body of experience has been selected for the following reasons (1) Great Britain is a country whose language, law, tra

dition, aspirations, and political and economic organizations have most in common with those of the United States; (2) the British wages boards have been in operation for a sufficiently long period to be thoroughly tested; (3) the system is not only approved by employers, workers, and the public generally, but is conceded to be one of the most successful pieces of social legislation yet placed upon the British statute books; (4) the British wages boards offer the clearest example of democratic wage determination operating under a democratic form of government.

Emerging from the British experience with minimum wage legislation are constructive approaches to most of the problems with which those drafting or administering legislation of this kind are likely to be faced. Instead of pulling out these problems and their solutions by means of analysis, however, an attempt has been made, in so far as it is possible with words and figures, to create for the reader a dynamic picture of the living organism into which the wages boards of Great Britain have developed in the thirty years since their inception. Emphasis is therefore placed upon the legislative and administrative aspects rather than upon the economic. The process is described instead of the result's being weighed. The qualitative factors as opposed to the quantitative for the most part comprise the contents of the study.

But before embarking upon this joint exploration of the British Trade Boards, Agricultural Wages Committees, and other statutory wage-fixing bodies—how they came into existence, what they are, how they work, what they have accomplished, and what their significance is—the reader should be apprised of certain points of difference between Great Britain and the United States in order to render the following pages intelligible.

First, a difference in the use of the phrase "minimum wage" requires clarification. Though a *minimum wage*, as the term is used in Great Britain, originally implied a bare *subsistence wage* fixed by law for sweated workers, the conception of the term has grown with the development of industrial democracy. In current British usage a *minimum wage* does not necessarily mean a *subsistence wage* or even a *living wage* as it usually has in the United States. A minimum wage is exactly what the words say, simply the lowest wage legally payable in a trade. The level of living which it provides may vary somewhat from trade to trade. Actually, however, the minima fixed by the different wages boards represent the prevailing rate of wages in the industry for which they are fixed and they are determined with that objective in mind. The minimum is not the *standard* rate in the sense that rates agreed to by trade unions and employers' associations are standard, nor is it necessarily the *maximum* rate since trade union agreements may and often do stipulate that a higher rate shall be paid for the same occupation to which a minimum may apply; but it is the *prevailing* rate, that is to say, the *rate generally paid* and it is also intended to be a *fair wage* for that industry or occupation, taking into consideration the existing purchasing power of the pound, the work done, the rate actually paid for similar work in other trades, and what the particular trade involved can bear.

Though a comparison of money wages in Great Britain and the United States is quite beside the point of this study, it is important that the reader should have some idea of the relative cost of living in the two countries at the back of his mind. No definitive statement regarding this relationship can be made. A very rough estimate based upon the best available data indicates,

however, that during the years 1931-37, the cost of living in Great Britain approximated 75 per cent of that in the United States.² Expressed in monetary terms, this means that 9 pence in England bought something like what 25 cents would buy in the United States during those years. In attempting to obtain a relative value for wages in the two countries, a mental allowance should also be made for certain imponderables. For one thing, the material standard of living among all income groups is considerably lower in Great Britain than in the United States. Consequently wages are not expected to provide so much. What virtually amount to a further addition to wages are the various state insurance and pension schemes, to which the worker may or may not contribute a small sum, and most of which have existed in Great Britain for more than 25 years. The security thus gained, to say nothing of the greater stability of wage rates, in part incidental to existing social legislation itself, reduces the necessity for saving, so important to workers in the

²This figure is derived from cost of living index figures given in Table II, p. 31 of a publication entitled *A Contribution to the Study of International Comparisons of Costs of Living* (Ford Study), an inquiry into the cost of living of certain groups of workers in Detroit, U.S.A. and fourteen European towns, issued by the International Labour Office in 1932 (Studies and Reports, Series N (Statistics), No. 17, second revised ed.). It was obtained by using 71 per cent (the range being 69 to 73 per cent) of the Detroit cost as the cost in Manchester, England, in January 1931, of a standard of living approximately equivalent to that of an average working-class family in Detroit. Taking the relationship between these two cities as representative of that between Great Britain and the United States at that time, a common base was established by means of which the official British cost of living indexes could be converted for comparison with those of the United States. Using the weights of the I.L.O. study, the British cost of living index at the end of 1937 was found to be 81 per cent of that of the United States. The relative cost of living in Great Britain and the United States thus ranged between 71 per cent in 1931 and 81 per cent in 1937. The figure 75 per cent has been arbitrarily chosen to suggest the relationship obtaining over the whole of this seven-year period.

United States who are not as completely covered. In these ways the buying power of 9 pence is stretched to something more than the actual purchasing power of 25 cents in the United States.

The relative homogeneity of the British population and the smaller size of the country in comparison with the United States are also important points of difference because they facilitate administration of industrial legislation. A common ideology created by such conditions has proved advantageous in organization of responsible worker and employer associations and in the growth of a strong social consciousness which has developed in Great Britain especially since the War. Though British society is more definitely stratified than is that of the United States, a more unified population has nevertheless produced a highly developed and profound conception of democracy, which finds its source beneath superficial social customs, political forms, or economic standards in deep recognition of the inherent dignity of man. This profound belief in the right of every Englishman as an individual to govern himself, qualified by the more recent realization that every Englishman, being also a part of society, has a duty to govern himself accordingly, naturally expresses itself in parliamentary form with regard to both political and economic matters. If the United States has taken pride in her technical achievements, it is also well to remember that Great Britain is far advanced in the art of human relations.

The British wages boards represent an application of the parliamentary form of government to a particular economic field. The details of the legislation and the respects in which it has developed or been limited over a period of years are consequently significant for the United States, which has recently launched forth upon

a similar undertaking. (But, however well conceived and drawn is any piece of legislation, its ultimate success or failure depends primarily upon how its provisions are interpreted, how they are carried out, and upon the relationship established between those who apply the law and those to whom it is applied, that is to say, upon its administration.) Good administration being primarily a matter of human character, judgment, and understanding rather than one of forms, filing systems, reports, or similar techniques, we in the United States can learn much from Great Britain, especially on the administrative side.

Since the effectiveness of democracy is measured by the capacity of government to adjust to the growing needs of a living people, the author invites the reader to commence this study of British wages boards by observing how the concept of wage regulation has expanded with industrial and economic change and with the development of British democracy. It is the author's hope that those actively concerned with administrative problems will find the subsequent statement of how the British system works not too detailed to be followed through in all its intricacies. More general readers, however, may perhaps gain sufficient light on the broad problem through reading Chapters I, II, III, V, IX, and XII. ✓

PART I
LEGISLATION

CHAPTER I

DEVELOPMENT OF THE WAGES BOARD SYSTEM

Government interference in the realm of wages dates back to the fourteenth century in Great Britain. It was originally invoked by employers as a result of the Black Death, which had seriously curtailed the supply of labor and so raised wages. In order to cope with this situation the local bodies were at first authorized to fix maximum wages. But in 1351 Parliament undertook wage regulation by passing the Statute of Labourers, which established maximum wages in certain crafts and industries. In the reign of Elizabeth the power of prescribing maximum wages was accorded to the magistrates under the Statute of Artificers. And this law, though obsolete, remained upon the statute books, along with several later acts dealing with wages in specific trades, until 1813. The right of the state to regulate wages was thus recognized almost from the birth of the Parliamentary system in the late thirteenth century.

THE BEGINNINGS OF MINIMUM WAGE LEGISLATION

With the profound economic changes created by the industrial revolution, wage regulation assumed a new aspect. The demands of employers for establishment of maximum wages gave way to agitation by workers for minimum wage legislation. In 1805 the cotton weavers turned to legislation of this type to give release from the hardships imposed upon them by machine production. Their petition to Parliament was supported by some of the cotton manufacturers. But the minimum wage bill

then introduced was nevertheless defeated by a large majority of the House of Commons in 1808.

Failure of this minimum wage measure marks the commencement of an epoch in British social economy. It made clear to the workers that without organization and without suffrage they were powerless to call the ancient principle of state wage regulation into action on their behalf. It gave rise to the first extensive use of direct action as a protest against the long hours, squalid conditions, and low pay which the new industrialism had brought. And it furnished the impetus for development of a stabilized labor movement which, taking advantage of the favoring circumstances of industrial development, led to a substantial advance in money wages. The end of the nineteenth century thus found the British working man in a new political and economic position, with the right to vote, the right to organize, an improved standard of living, and even an embryo Labour party established.¹

¹ The Reform Act of 1867 enfranchised urban workers, but agricultural workers and miners were not accorded the right to vote until 1884. The Combination Acts which made prosecution of workers who organized or struck possible were repealed in 1824. But not until passage of the Trade Union Act of 1871, which freed workers' organizations of external interference and provided that they were not to sue or be sued in respect of internal affairs, and the Conspiracy and Protection of Property Act, 1875, which legalized peaceful picketing and provided that no act should be punishable at law if done in combination, unless it would be criminal if done by an individual acting alone, was the right of workers to organize thoroughly established. During the nineteenth century a great deal of other legislation was also passed which improved the conditions under which workers lived and labored. Important among these laws are: the Factory Acts, 1833-78, regulating the employment of women and children and general conditions of work; the Poor Law Amendment Act, 1834, which ended the practice of subsidizing wages out of tax moneys; the Education Acts, 1851-76, which established free elementary schools; the Housing Act, 1876, which recognized public responsibility for housing conditions in towns; the Public Health Acts, 1848-75, establishing local boards of health and

And yet there still remained a fringe of "sweated" workers in almost every trade, whom neither organization nor industrial change had touched. With the humanitarian movement accompanying the trade depression of the eighties, agitation for legislative protection of these workers began. But not until Beatrice Potter,² investigating for Charles Booth in the late eighties, established the fact that excessively low wages, unreasonably long hours, and unhealthful conditions of work prevailed among the immigrant tailors of East London employed under the contract system, and John Burnett reported similar conditions in the chain industry of Cradley Heath to the Board of Trade, did Parliament take any notice. Following these disclosures a Select Committee was appointed by the House of Lords to investigate and report upon the sweating system. And in 1890, after two years of investigation covering the larger towns of England, this Committee reported that the evils of sweating could "scarcely be exaggerated."³

To control these evils the Lords proposed extension of the Factory and Workshop Act to include registration and inspection of workshops and homeworkers, prohibiting employment of women and girls on the heavier work of chain making, and encouragement of technical education to remedy the inefficiency of the workers.⁴ But no legislative action was taken at that time.

The matter was not dropped, however. Led by Sir Charles and Lady Dilke, a small group of influential people immediately attacked the problem on two fronts.

their responsibilities; the Ten Hours Act, 1847, and the Sixty Hours Act, 1850, limiting daily and weekly hours of labor.

² Now Lady Passfield (Mrs. Sidney Webb).

³ *Fifth Report from the Select Committee of the House of Lords on the Sweating System, 1890.*

⁴ The same, pp. xliv, xlv.

On her part Lady Dilke launched a campaign for organization of industrial women workers. But this proved an uphill job, and after five years of tireless effort the band of middle-class women sponsoring the movement came to the conclusion that organization alone would not solve the problem of sweating. Nevertheless the pressure exerted by the small but ardent groups of organized women whom they recruited eventually had great effect upon establishment of the first Trade Boards.

Meantime Sir Charles Dilke had made up his mind that trade union organization should be flanked by wages boards composed of representatives from employers and workers, who should determine the minimum rate of wages to be paid in sweated trades. As early as 1891 he had publicly advocated minimum wage legislation of this type. And he had subsequently proposed it upon several occasions without receiving much support. Despite its encroachment upon laissez-faire doctrine, Sir Charles ventured in 1898 to introduce a Sweated Industries Bill into the House of Commons, embodying the wages board idea. And from that time until 1909, when the Trades Boards Act was finally passed, private bills providing for wages boards were introduced into the Commons every year.

As a result of this persistent two-sided attack and a bid of the Liberal party for the working man's vote, the government eventually undertook to deal with the sweating problem. In 1906 the Board of Trade,⁵ then having surveillance over industrial matters, commenced a detailed inquiry into the rates of wages in a consider-

⁵ The British Board of Trade corresponds to the United States Department of Commerce and should not be confused with the Trade Boards, which are minimum-wage-fixing bodies.

able number of the lowest paid industries in order to determine the scope of the problem.⁶ The results were a revelation. Wages as low as 1d., or two cents, per hour were discovered in some industries, among them chain making. Of the adult males employed in custom tailoring, cardboard box making, shirt making, ready-made tailoring, linen and jute manufacture, and in laundry work, 45 to 85 per cent of those studied earned under 30s. or about \$7.50 per week of more than 50 hours. Women's earnings fell considerably lower. Between 50 and 70 per cent of the adult females doing the more skilled work connected with shirt and blouse manufacture, retail and wholesale tailoring, and dressmaking earned under 15s. or \$3.75 per week of over 50 hours, while the earnings of approximately 75 per cent of those engaged in jute and cardboard box manufacture and in laundry work, and 90 per cent of those in linen manufacture, fell in the same category.⁷

Such facts furnished ammunition for a renewed and more effective attack upon the sweating problem. And formation of the Anti-Sweating League to press for remedial legislation immediately followed. George Bernard Shaw, G. K. Chesterton, and H. G. Wells spoke at its meetings. Mary Macarthur, a dynamic leader of the women's trade union movement, marched through the streets of fashionable London at the head of groups of ill-paid women. At the instigation of the League, of which J. J. Mallon was secretary, the London *Daily News* staged a Sweated Industries Exhibit at the Queen's Hall, London, in 1906. In dramatic fashion

⁶ Board of Trade, *Earnings and Hours Enquiry*, 1906, Vols. I-VIII.

⁷ Ministry of Labour, *Minutes of Evidence, Committee of Enquiry into*

this Exhibit demonstrated the hardships and inadequate living conditions prevalent among men and women at the bottom of the industrial pyramid. It was attended by several thousand persons belonging to the West-End social set of London and was subsequently shown in the great provincial towns. The public conscience was deeply stirred. A demand for alleviation of such conditions arose throughout the country. Moreover, dissemination of the facts regarding the character and extent of sweating made it obvious that application of the Factory Act was a quite inadequate means of dealing with the situation. Opposition to government control of wages thus commenced to yield as minimum wage legislation was proposed by the League.

A system of wages boards offered a compromise between the laissez-faire principle of government non-interference in industry and an awakening social consciousness. Under such an arrangement, representatives of employers and of workers would themselves determine what the minimum rate of wages should be. ✓ Neither did this method of wage regulation interfere with labor organization. The functions of both trade unions and employers' associations were rather supplemented by it.

Apparently the idea of wages boards as a method of fixing legal minima originated with John Stuart Mill who discussed its merits in the 1848 edition of his *Political Economy*. Mill rejected it, however, as he did all minimum wage legislation, on Malthusian grounds. The idea was nevertheless accepted in the Antipodes and given legislative form in the minimum wage provisions of the Factory and Shops Act of Victoria, Australia, passed in 1896. In 1897 the Webbs dignified the new Victorian system by mentioning it in connection with

their conception of industrial democracy. But not until a decade later did the British government respond to a growing demand for minimum wage legislation stimulated by the Anti-Sweating League. A civil servant, Ernest Aves, was then sent to investigate the operation of wages boards in Australia. In the same year the Home Secretary appointed a Select Committee on Homework, with Sir Thomas Whittaker as chairman, to recommend a method of dealing with the problem.

Both Sir Thomas Whittaker and Mr. Aves made their reports in 1908. The Select Committee on Homework concluded that "sweating," interpreted to mean work that "is paid for at a rate which in the conditions under which many of the workers do it yields to them an income which is quite insufficient to enable an adult person to obtain anything like proper food, clothing and house accommodation," prevailed extensively not only among homeworkers but also among factory workers, especially in homework trades. They considered further that nothing short of legislation could remedy the situation and recommended establishment of wages boards on the Victorian pattern in a few of the worst paid trades, as an experiment. Though Mr. Aves reported favorably upon the operation of wages boards in Australia, he doubted the efficacy of legal enforcement of minimum wage rates in a country like Great Britain.⁸

PRE-WAR LEGISLATION

*The Trade Boards Act, 1909.*⁹ On the basis of Mr. Aves's findings, a government Trade Boards bill was introduced in 1909 by Winston Churchill, then president

⁸ Home Office, *Report on Wages Boards and Industrial Conciliation and Arbitration Acts of Australia and New Zealand*, Cd. 4167, 1908, p. 125.

⁹ Edw. 7, Chap. 22.

of the Board of Trade. Its lines closely followed those of the minimum wage clauses contained in the Factory and Shops Act of Victoria and of a bill embodying the wages board idea introduced by Arthur Henderson for the Labour party in 1908. The government bill provided for establishment of legal minimum wage rates by a joint representative board for each trade designated by Parliament. These boards were authorized to determine minima for workers of both sexes and for those employed in factories as well as for homeworkers. Payment of the minimum rates was to be enforced by the government. The bill thus represented a sharp departure from the policy dominating legislative practice during the nineteenth century.

Naturally there was opposition to enactment of such a law. Employers generally disapproved on the familiar grounds that it would destroy their right to manage their own businesses, would strengthen foreign competition, and would create unemployment. Other opponents of wages boards maintained that such an act would increase prices, would entirely abolish the low-wage trades if enforced, and would prove costly and difficult to operate. Many free traders feared that it would result in high protective tariffs. Even some of those inclined to think in broader terms than their own self-interest considered that workers in sweated industries were too little organized, too ignorant, and too poor to defend their own needs upon a joint representative board. The Socialists, though they considered the bill a suitable gesture, believed that there could be only one remedy for all social ills—Socialism. But the trade unionists, especially those who for years had vainly endeavored to organize sweated women workers, wholeheartedly favored the board method of establishing a legal minimum wage for un-

derpaid, unskilled, and unorganized workers. And by 1909 a number of practical union men had won seats in the House of Commons.

After considerable debate, therefore, Labour members voting with representatives of a Liberal government pledged to social reform passed the Trade Boards bill in October 1909. Adoption of the Trade Boards Act of 1909 definitely marks the commencement of a new phase of British democracy. Though the social legislation of the nineteenth century had paved the way for a broader conception of public responsibility by improving conditions affecting the working classes, its primary object was to protect the few at the top from the ignorance, filth, and disease of the masses and to give these workers a chance to help themselves through labor organization. But this initial act of the twentieth century extended public responsibility into the realm of pay and was clearly directed towards protection of the few at the other end of the economic scale, who were least able to protect themselves from the ravages of machine production. Without suffrage, union organization, and the generally improved status won by working men during the previous century, passage of this law would have been impossible. Its enactment, moreover, opened the way for a still broader conception of democratic control yet to be realized in legislative form during the post-war period.

The act became effective on January 1, 1910. Four trades, tailoring, paper box making, machine-made lace finishing, and chain making, were scheduled to come immediately under its terms. Other trades could be brought in by provisional order of Parliament if the Board of Trade considered that the rate of wages was exceptionally low compared with that in other employments and if application of the act seemed expedient. Separate

Boards for Great Britain and Ireland were to be established for any trades brought under the act which were carried on to a substantial extent in Ireland. Under these powers another four trades were soon added, so that by 1916 a total of thirteen Trade Boards, eight for Great Britain and five for Ireland, had determined minimum rates of pay covering approximately half a million male and female workers.¹⁰

*The Coal Mines (Minimum Wage) Act, 1912.*¹¹ A few years after minimum wage legislation was invoked to protect sweated factory and homeworkers from underpayment, it was also applied to one of the most skilled, highest paid, and best organized groups of workers in Great Britain, the coal miners. Establishment of minimum wage machinery for this industry grew directly out of the first national strike of coal miners called in 1912. The issue in dispute revolved about the remuneration of coal hewers working in "abnormal places" where, on account of falling coal, water, stone mixed with the coal, or other circumstances, colliers paid on a piece basis found it difficult to earn as much as men working in normal places. To protect hewers working under such conditions a minimum wage was proposed by the Welsh miners.

In order to cover workers other than these, whose earnings were reduced by delays due to faulty services which were the responsibility of management, such as failure to have tubs ready for loading coal, insufficient supply of timber for props, or inadequate ventilation which caused undue fatigue, the demand for a minimum wage was eventually extended by the Miners' Feder-

¹⁰ Cave Committee Evidence, pp. 60-61.

¹¹ 2 Geo. 5, Chap. 2.

ation of Great Britain to include all persons working underground. And, with the spread of the dispute from Wales to other coal fields, new issues developed. Among these was the conception of a national minimum "living wage" which should be applicable to the lowest paid workers of all districts. For other grades of workers it was proposed to establish standard minimum rates for each district, similar to the trade union scales customarily existing in other organized industries. Since it was impossible for the Federation to work out complete schedules for all grades of workers in each district in the heat of a national dispute, a flat minimum of five shillings per shift for adults working underground and two shillings for boys was demanded. This the owners refused to grant.

After the strike had been in progress about three weeks, the price of coal having reached £2 per ton, the government reluctantly introduced a minimum wage bill in the House of Commons. This bill provided for Joint District Boards to determine minimum rates of pay for underground workers, but it failed to incorporate the flat minima. In its establishment of Joint Boards the bill resembled the Trade Boards Act. Its object, however, was quite different. Whereas the Trade Boards Act aimed to protect unorganized, sweated workers, the purpose of the Coal Mines (Minimum Wage) bill was solely to settle a national strike of well-organized workers. Because of the emergency this bill became an act within ten days after its introduction. But it did not have the approval of the Miners' Federation, owing to elimination of the "living wage" principle. A distinct victory was nevertheless won by the workers in that the second principle for which they contended was established, that

is to say, the principle of governmental protection for organized workers whose earnings fall below the normal level owing to no fault of their own.

For two years the Coal Mines Act, 1912, operated with considerable advantage to many workers in England and Wales, especially to unskilled time workers and to individual pieceworkers.¹² Largely owing to a boom in profits, it was possible for the colliery owners to meet the wage levels fixed by the different Joint District Boards with little if any difficulty.¹³ Then came the War to upset the entire price and wage structure. As a result of the War the principle that a basic minimum should be paid to all workers irrespective of their earnings on piecework became generally accepted. The colliery owners preferred, however, that this minimum should be fixed by voluntary collective bargaining rather than by determination of the statutory wages boards. Moreover, the national or local rates fixed under the coal mining agreements of 1921 and 1924 exceeded the legal minima in all but one or two districts. The Coal Mines (Minimum Wage) Act consequently fell into abeyance, it no longer having a live purpose to serve. And never since the War have its provisions been revived, though the act remains upon the statute books and nominal minima continue to exist in each of the coal field districts.

WAR LEGISLATION

The onset of hostilities likewise curtailed the operation of the Trade Boards. Prior to 1914 only four of the original British Boards had established obligatory rates. Action had been slow owing to the time necessarily

¹² J. Henry Richardson, *Industrial Relations in Great Britain*, I. L. O. Studies and Reports, Series A, No. 36, 1938, p. 150.

¹³ H. Stanley Jevons, *British Coal Trade*, 1915, p. 565.

consumed in setting initial rates and to the six months' period of limited operation required before rates could be rendered legally enforceable by terms of the act of 1909. Immediately War broke out, the nation's first impulse was to suspend operation of minimum wage machinery along with other legislation which might restrict production. But the danger of such a course was soon realized. Far from discarding the principle of wage regulation, new wage-fixing tribunals with more comprehensive powers were set up under the Munitions of War Acts.¹⁴

These tribunals temporarily superseded the slow-moving Trade Boards. They also included other workers who could not be speedily brought within the ambit of the Trade Boards machinery during the period of national emergency. Under the binding orders of the Minister of Munitions the rates of wages, hours of labor, and conditions of employment of all workers in any trade engaged in munitions were eventually prescribed. Since the definition of munitions work included a wide category of industries a large proportion of all British workers was covered. The wages fixed by the munitions tribunals were standard wages, but they were also minima, being the least that could legally be paid. Though recognized as unsuitable in the exigencies of war, it was anticipated that the Trade Boards would play an increasingly important role in the period of industrial readjustment following the cessation of hostilities.

*The Corn Production Act, 1917.*¹⁵ Application of the minimum wage principle to still another type of work

¹⁴ 5 and 6 Geo. 5, Chap. 54; 5 and 6 Geo. 5, Chap. 99; and 7 and 8 Geo. 5, Chap. 45.

¹⁵ 7 and 8 Geo. 5, Chap. 46.

was undertaken in 1917 by enactment of the Corn Production Act. Coming as it did towards the end of the War, this act was a forerunner of a new type of legislation further developed about a decade later. Though agricultural workers belonged to one of the lowest paid and least organized pursuits in Great Britain, the minimum wage provisions of the Corn Production Act constituted a secondary objective, its primary purpose being to encourage the production of small grains during the War. (In return for a government subsidy) the act required that farmers should pay their employees a minimum rate of wages determined (for their county) by a central Agricultural Wages Board in composition and function resembling the Trade Boards. Local representative boards were also set up to advise the central Board in fixing minima for different areas. Pending establishment of minimum rates by the central Board, a flat minimum of 25 shillings per week was prescribed by the act as an immediate means of stabilizing the wages of able-bodied male agricultural workers.

During the War the wages of a large proportion of British workers were thus prescribed by government decree. In this way both the principle and the practice of state wage regulation by a democratic technique became thoroughly established. Government wage regulation also ceased to be a mere matter of protecting the few starving women at the bottom of the industrial heap. This profound change in ideology had, moreover, been accompanied by phenomenal augmentation of trade union membership and bargaining power resulting from the strategic position into which labor was thrust by the War. Despite the half century during which the trade union movement had struggled into existence, effective organization of several large and important groups of

workers, among them the railway employees, had not been achieved prior to 1913. Indeed, the total trade union membership was only about 4 million at the outbreak of the War. By 1918, however, the number of members had increased by more than one-half and by 1920 it had more than doubled. This remarkable development accompanied by a sudden consciousness of mass power had its constructive release in the Labour Party Reconstruction Program of 1918.¹⁰ But its potentially destructive aspects also required consideration. In anticipation of the industrial unrest bound to follow a sharp decline in wages incident to cancellation of war contracts and overcrowding of the labor market at the end of hostilities, the Reconstruction Committee in 1916 appointed a special sub-committee headed by the Rt. Hon. J. H. Whitley, M.P., to make recommendations looking towards permanent industrial peace.

The Whitley Committee acted as a vehicle for articulation of a new conception of democracy. Workers throughout the land, skilled, semi-skilled, and unskilled, women as well as men, had contributed their energy towards the War to make the world safe for democracy. And without them it could not have been won. Thousands of men had given their lives for the democratic ideal; thousands of others who had suffered in the trenches would return to Great Britain to live. Great Britain must be made a fit place for heroes to live in. In the emotional uplift of the moment wage regulation was conceived as part of the broader concept of a national minimum standard of living, including health, safety, and efficiency, which should form the foundation of a new society consistent with the freshly appreciated dig-

¹⁰ Arthur Henderson, *The Aims of Labour*, 1918, App. II, pp. 91-108.

nity of man. This idea of a national minimum standard had been originally put forward by the Webbs in the first edition of *Industrial Democracy*.¹⁷ In 1917 it was again proposed most effectively in a powerful and prophetic statement called the *Aims of Labour*.¹⁸

The "Whitley Reports." The proposals of the Whitley Committee crystallized it into a concrete industrial program acceptable to both employers and workers. After careful deliberation the Committee made three basic proposals as fundamental to achieving permanent industrial peace.¹⁹ These were: (1) establishment of voluntary joint industrial councils, district councils, and works committees to serve as instruments of self-government including consummation of wage agreements, in well-organized industries; (2) revision and extension of the statutory minimum wage machinery set up under the Trade Boards Act, 1909, to enable the Trade Boards to operate as instruments of self-government and collective bargaining in those industries where no voluntary machinery for effective collective agreements existed; (3) constitution of a standing, voluntary arbitration tribunal representative of the two parties to industry and the public to hand down awards in disputes which the voluntary and statutory collective bargaining machinery failed to prevent.

As is indicated by the Reports in their entirety, self-government was construed to be voluntary joint action of employers and workers, not alone for their own good or the good of the industry, but for their own good as a

¹⁷ Sidney and Beatrice Webb, pp. 766 ff.

¹⁸ Henderson, *The Aims of Labour*, pp. 23-24.

¹⁹ Bureau of Industrial Research, *The Industrial Council Plan in Great Britain, Reprints of the Report of the Whitley Committee on Relations between Employer and Employed of the Ministry of Reconstruction and of Related Documents*, "Final Report," pp. 57-61.

part of the good of the country as a whole. These recommendations are therefore especially significant in that they proposed a constructive use of the mass energy released through mass organization by encouraging responsible unionism, rather than its suppression by compulsory measures designed to limit organizational activity.

Voluntary Joint Industrial Councils, known as "Whitley Councils," were organized to meet the first recommendation of the committee. The Industrial Courts Act, 1919,²⁰ dealt with the third. The Trade Boards Act, 1918, amending and extending the act of 1909, constituted the government's answer to the second recommendation of the Whitley Committee, though its provisions were more limited than that committee intended. Nor was the Whitley Committee on Relations between Employer and Employed alone in advocating extension of the Trade Boards system. Another sub-committee of the Reconstruction Committee, that on women's employment, also reporting in 1917, suggested similar action as a means of forestalling a precipitous drop in the wages of semi-skilled and unskilled workers, which had risen to a reasonable level during the War, and of raising the wages of women who had not been affected by the War increases.

POST-WAR LEGISLATION

*The Trade Boards Act, 1918.*²¹ The new minimum wage act was passed in August of the year the Armistice was signed. Its main objectives as expressed and implied in the speeches made before the House of Commons in support of the bill were: (1) to provide statutory wage-fixing machinery in trades where self-organi-

²⁰ 9 and 10 Geo. 5, Chap. 69.

²¹ 8 and 9 Geo. 5, Chap 32.

zation of employers and of workers had for some reason failed to render voluntary collective agreements effective throughout the trade; (2) to adjust wages upon a fair basis; (3) to prevent exaggerated fluctuations in the rates of wages; (4) to encourage industrial peace; (5) to improve the conditions of trade; and (6) to achieve these ends by a democratic process and without necessitating correlative economic adjustments tending to dislocate industry, to offset the wage increases thus obtained, or to restrict the field of voluntary collective action between employers and employed.²²

Not only was it intended to forestall a sharp fall in the wages of women workers following the War and to place a floor under the wages of all workers, but on the basis of the war experience it was believed that by imposing a joint responsibility upon employers and workers for conditions in their trades both efficiency of production and general consuming power would be augmented and that this would contribute towards the creation of a genuine common-wealth in which all its citizens should increasingly share.

Just as the Trade Boards Act of 1909 was the outgrowth of the improved productive methods and the freer political and economic status of labor gained in the nineteenth century, so the Trade Boards Act of 1918 came into being as a result of greater productiveness and of the new position which labor had achieved during the War. Though its form differed little from that of the first measure, the Trade Boards Act of 1918 introduced a new principle into British legislation, the principle of economic democracy. While the joint boards represented a compromise method of ending industrial abuse in 1909,

²² *Parliamentary Debates*, House of Commons, Vol. 107, No. 61, June 17, 1918.

in 1918 they were conceived as miniature industrial legislatures by which the government extended the right of collective bargaining to workers unable to achieve it for themselves. And in sponsoring this act the government not only defined its labor policy as comprising collective bargaining, but also recognized the trade unions and employers' associations as having a limited governmental function and all unorganized trades as being a suitable field for government intervention.

The War Cabinet Committee report. The second Trade Boards Act came into operation in October 1918. But peace came sooner than was expected. And some months were sure to be required for setting the wheels of the new machinery in motion. There was also the question of how to apply the terms of the acts in certain difficult trades. In September 1918 the Prime Minister had therefore appointed a committee "to investigate and report upon the relation which should be maintained between the wages of women and men." This committee recommended immediate establishment of a "reasonable subsistence wage" for all adult women, except domestic workers, the wage to be adjusted periodically with changes in the cost of living.²³ The object of this recommendation was probably twofold: temporarily to protect women workers until brought within the purview of a Trade Board, and permanently to protect a fringe of workers who might never be covered either by organization or by wage-fixing machinery.

*The Wages (Temporary Regulation) Act, 1918.*²⁴ Ten days after the signing of the Armistice an interim piece of legislation was also enacted to stabilize wages at

²³ War Cabinet Committee, *Women in Industry*, Cmd. 135, 1919, pp. 6-7.

²⁴ 8 and 9 Geo. 5, Chap. 61.

the existing level. This measure, the Wages (Temporary Regulation) Act, prevented the sudden decline which would otherwise have occurred pending the establishment of new Trade Boards and the determination of legal minima. Specifically, the Wages (Temporary Regulation) Act made it an offense to pay less than the time-rates, plus war bonuses, recognized as generally applicable in a trade on November 11, 1918, or rates substituted for them by an award of the Interim Court of Arbitration set up by this act to settle differences regarding wages, or, in the case of certain classes of women and girls, rates that might be prescribed by the Minister of Labour on the advice of the Interim Court of Arbitration.

Though originally passed for a period of six months this act was extended for another six months on recommendation of a joint committee of organized employers and workers, after which it was continued in principle until October 1920 by terms of the Industrial Courts Act, 1919. By these means the wages of organized workers and of all workers employed in "munitions work" were temporarily protected. But certain other workers, for example those engaged in making women's clothing, did not come directly within the scope of the act. The Minister of Labour consequently used the authority given him by the Wages (Temporary Regulation) Act to "prescribe" a flat rate of 7 pence per hour for women in such trades.

The National Industrial Conference. The subject of a minimum wage was again considered in 1919 when a National Industrial Conference was called by the Prime Minister. This Conference recommended that Trade Boards should be immediately extended to all "less organized" trades. It also proposed that in trades where an agreement prescribing a minimum rate of wages was

reached by representative organizations of employers and of trade unions, it should be applied to all employers engaged in that trade, subject to investigation, modification, and confirmation by the Minister of Labour.²⁵

The National Industrial Conference further advised that a flat national minimum wage should be made universally applicable. Following out this recommendation a bill providing for a national minimum wage to be payable in all trades alike as a substitute for fixation of rates by Trade Boards was introduced into the House of Commons. But owing to strong opposition from many quarters the bill was eventually dropped. This was not the first time that a flat national minimum wage had been proposed, nor was it the last. A certain group of reform-minded persons had advocated legislation of this type from the beginning of the agitation about sweating. But it had always met with effective opposition from others who believed that differentials sometimes offered a more practical method of wage determination and who considered the educational process of joint wage negotiation to be as important as its monetary results. Again in 1922 a flat minimum wage was put before a committee investigating the working of the Trade Boards Acts as a solution of the minimum wage problem. And again it was rejected upon practical grounds.²⁶

²⁵ Industrial Conference, *Report of Provisional Joint Committee Presented to Meeting of Industrial Conference, Central Hall, Westminster, April 4, 1919*, Cmd. 501, 1920, p. 14.

²⁶ Both the principle of a flat minimum wage and the pending bill were attacked upon the grounds that such procedure raised controversial questions regarding the relation of wages between men and women, between geographical districts, between different occupations, and between persons with and without dependents. If the national minimum wage is fixed at a level high enough to cover all of the workers whose lack of bargaining power renders them unable to protect themselves, it will be so high as to cause serious unemployment among workers in certain trades, it was argued. Other opponents of this method of wage

*The Agricultural Wages (Regulation) Act, 1924.*²⁷

Though wages boards were thus conceded to be the most satisfactory method of minimum wage determination, the Corn Production Act was repealed in 1921. Owing to the peculiarly local character of agriculture combined with an oncoming slump in prices, fixation of district rates by a central board sitting in London, even though advised by representative local committees of "dirt farmers" and bona fide agricultural workers, had received much criticism. When it was decided to withdraw the subsidy, the minimum wage provisions were abolished also. For legally enforceable minima, the repeal act of 1921²⁸ substituted a system of voluntary district conciliation committees. Wage agreements reached by these bodies upon registration with the Ministry of Agriculture could be rendered obligatory upon all farmers in the district. But in practice only six such registrations were

fixation emphasized its inflexibility and the difficulty of altering a flat rate because of the necessity for Parliamentary action. Especially they deplored the constant pressure to which the national legislature is subjected by interests desiring either to decrease or to increase the flat minimum rate and recognized the danger that the national minimum rate may thus become a political football. If a sliding scale based on the cost of living were adopted in order to avoid these difficulties, they saw the workers tied to a fixed standard of living. Objections were also made that a flat rate failed to take cognizance either of variations in the competitive conditions or earning capacity of different industries or of the skill, strain, and value involved in work of different kinds; that it failed to assist home-workers or others employed on a piece basis; that it made no allowance for subnormal or exceptional workers; that a flat minimum rate tended to become fixed in people's minds as a *fair* wage and was therefore especially in danger of becoming the maximum wage; and that it contributed less both towards educating the parties to industry for future collective bargaining and otherwise towards industrial peace than did a system of permanent wages boards. Finally, it was contended that enactment of the proposed measure flew in the face of past experience of both Great Britain and Australia where similar arrangements had been tried with some of the results mentioned.

²⁷ 14 and 15 Geo. 5, Chap. 37.

²⁸ 11 and 12 Geo. 5, Chap. 48.

made. Agricultural wage rates consequently slid down hill.

Largely as a result of the depression, the Trade Boards Acts were also threatened with repeal. But, since they recognized the problem of economic cost and had been adopted with the idea of permanence (without subsidy clauses,) they withstood the strain. Survival of the Trade Boards together with a perceptible improvement in business and the advent of a Labour government pledged to help farm workers resulted in passage of the Agricultural Wages (Regulation) Act, applying to England and Wales, in 1924. Partly due to past experience with a centralized system and partly to Conservative pressure in the House of Commons, the new minimum wage act provided for a decentralized network of wage-fixing committees. But it nevertheless complemented the Trade Boards Act of 1918 by applying to English agricultural workers, most of whom were unorganized, a system of wage regulation similar to that already embracing a large proportion of unorganized persons employed in industry.

RECENT DEVELOPMENTS

Prolonged depression existing through the twenties and early thirties was a major factor in preventing the extension of Trade Boards. But in spite of aggravated industrial inactivity the Trade Boards idea persisted and even gained strength both among the public and members of Parliament during this period. And with a modest revival of business in 1934 a third and distinctly new phase of wages board development commenced. Growing out of changed industrial conditions following the War and the depression, it became evident that wage legislation, rendering trade union agreements effective throughout certain well-organized industries, was neces-

sary to prevent wage undercutting. Back in 1912 minimum wage legislation had been adopted in the highly organized coal mining industry as a means of dealing with an emergency. And when that emergency passed, the legislation had been abandoned though not repealed. In 1934 both the employers and the workers engaged in cotton weaving, another old industry in which collective bargaining had been practiced for a long time, requested somewhat similar treatment to supplement their wage agreements.

The Cotton Manufacturing Industry (Temporary Provisions) Act, 1934,²⁴ was accordingly enacted. This legislation gives effect to the third recommendation of the Industrial Conference of 1919 and one also made by several of the Whitley Councils in 1920. In much the same way that a town council by majority vote makes regulations governing the inhabitants of that area, so by the terms of the Cotton Manufacturing Act, the representatives of employers' and workers' organizations claiming a majority of the looms and of the workers respectively, may under circumstances making it reasonable for the government to enforce them, legislate rates of wages which become the law not only of the trade but of the land. By thus giving statutory backing to purely voluntary agreements made by a majority of those concerned in the trade, a new phase of industrial democracy, that of majority rule, is brought into being.

The Cotton Act of 1934 differs from the Trade Boards Act of 1918 in two main respects. Under the Cotton Act determination of an agreed wage schedule is completely voluntary, whereas under the Trade Boards Acts fixation of a minimum wage is compulsory, whether by agreement or by the deciding vote of the appointed members.

²⁴ 24 and 25 Geo. 5, Chap. 30.

Under the Trade Boards Acts a third party judgment, which amounts to a check upon collusion, is applied through the appointed members who are permanent members of the Trade Boards. But legalization of voluntary agreements by terms of the Cotton Act is contingent upon investigation and recommendation by an *ad hoc*, independent, three-man board. These very differences mark the Cotton Act as the embodiment of a broader conception of statutory wage adjustment than has heretofore been framed in legislative form. Originally considered an experiment, this act was passed for a limited period of three years. It proved so successful, however, that at the expiration of the initial term on December 31, 1937, it was renewed under the Expiring Laws Continuance Act. And in April 1937 orders were made revoking the legal rates of wages fixed in 1935 and revising them in accordance with the current agreement between the Cotton Spinners and Manufacturers' Association and the Amalgamated Weavers' Association made on January 5, 1937. Extension of the machinery to the spinning branch of the trade is now under consideration.

*The Agricultural Wages (Regulation) (Scotland) Act, 1937.*³⁰ After a thorough investigation of the conditions prevalent among farm workers in Scotland and a comparison of the situation in that country, where farm wages were not controlled, with that obtaining in England and Wales where the Agricultural Wages (Regulation) Act had applied since 1924,³¹ a similar piece of legislation applying to Scotland was adopted by Parliament in 1937. The Wages Committees established

³⁰ 1 Edw. 8 and 1 Geo. 6, Chap. 53.

³¹ *Report of the Committee on Farm Workers in Scotland*, Cmd. 5217, 1936.

under this act issued their first wage orders during 1938.

*The Road Haulage Wages Act, 1938.*²² In addition to important, old, and well-organized industries, two new and large but as yet inadequately organized occupations, motor transport and the distributive trades, have recently become the subject of proposals for wage legislation. The number of persons employed in both of these pursuits has grown enormously within the last decade. In greater London alone the drivers of motor-propelled "goods vehicles" increased by more than 33,000 between 1921 and 1931. But organization of workers did not keep pace. Machinery set up by the trade unions and employers' organizations to implement the loose wages provisions of the Road and Rail Traffic Act, 1933, consequently broke down. In spite of the requirement under this act that holders of licenses entitling them to carry goods for hire or reward should observe the conditions of the Fair Wages Resolution, the wages of men engaged in motor transport not infrequently fell even lower than the minimum rates fixed by the Trade Boards, while the hours worked in nearly all cases were considerably in excess of the 48 agreed by the representatives of employers and workers to be the maximum.²³ Organized employers and workers consequently proposed new legislation to make wage control more effective.

This proposal led to appointment of a committee in July 1936, whose duty was to examine the present position of wage regulation in motor transport and to make recommendations regarding future action. The report of this committee presented to the Ministers of Labour and Transport in April 1937 is indicative of a current move-

²² 1 and 2 Geo. 6, Chap. 44.

²³ *The Economist*, May 22, 1937, p. 438.

ment to apply the Trade Boards method to large and sporadically organized industries.³⁴ Though recognizing voluntary collective bargaining as the traditional and ideally best procedure in wage fixing, for this inadequately organized industry involving the public safety, the committee recommended a system of independent representative boards to determine wages and conditions of work for employees engaged in operating motor vehicles doing a business for hire or reward.

In March 1938 a threatened strike of 150,000 truck drivers dramatically demonstrated the need for immediate action. And a government bill incorporating the main recommendations of the committee report was accordingly introduced into the House of Commons. With only minor changes this bill was passed in July 1938 under the title "Road Haulage Wages Act, 1938." A seventh act embodying the principle and method of the Trade Boards thus found its place among the British labor laws.

The distributive trades. In the other of the two occupations just mentioned, wage legislation is also pending. Establishment of a series of Trade Boards to cover the different trades of this group was first proposed shortly after the Trade Boards Act was amended in 1918. And in 1920 Boards for the milk distributive and grocery and provisions branches were actually set up. The two milk distributive boards, one for England and Wales, and one for Scotland, remain in operation. But largely owing to obstructive tactics on the part of the Cooperative Unions, who feared that the higher wages which they were able to obtain might be reduced if the Trade Board rates were fixed at a lower level, the two grocery Boards

³⁴ *Report of the Committee on the Regulation of Wages and Conditions of Service in the Road Motor Transport Industry (Goods)*, Cmd. 5440, 1937.

were unable to agree upon a schedule of minimum rates. They were eventually dissolved. And the result of this action has been to hold up establishment of new Boards in other distributive trades.

Meanwhile, the number of persons employed in these trades has greatly increased, a large percentage of the new recruits being young persons. And here, again, organization of workers and employers, though growing, has lagged behind expansion in the working force. The disparate and unorganized character of the retail trades resulting from this unbalanced development has rendered effective collective bargaining extremely difficult and has resulted in notoriously unsatisfactory wages, hours, and conditions of work.³⁵ The Cooperative Societies and their employees have consequently found great difficulty in maintaining their accustomed high wage scales in the face of low wage competition from private traders. In 1934, therefore, the Cooperative Congress passed a resolution calling upon the Cooperative Union to assist in obtaining establishment of Trade Boards for the distributive trades as a means of meeting wage competition. The resolution was formally transmitted to the General Council of the Trades Union Congress for consideration, and after protracted discussion between the Trade Boards Advisory Council of the T. U. C. and representatives of the Cooperative Union, the two movements agreed to press the Minister of Labour jointly for a Trade Board in the distributive trades.³⁶

While the advisability of statutory action was being argued pro and con by the unions, the Ministry of Labour undertook to solve the problem by encouraging

³⁵ *The Economist*, Feb. 26, 1938, p. 461.

³⁶ *Report of Proceedings at the 68th Annual Trades Union Congress*, 1936, pp. 162-63, 169.

voluntary collective agreements between employers and workers in these trades.³⁷ Following a series of conferences at which officers of the Ministry met with employers and workers separately and jointly and with the possibility of being brought under the Trade Boards Acts hanging over their heads, the employers became amenable to collective bargaining. During 1937 two important wage agreements covering at least 100,000³⁸ of the 2,000,000³⁹ distributive trades workers were consummated, one between a large department store in northern England and another between the retail "multiple shop" proprietors in the grocery and provisions trade, and their organized employees.

In addition to specifying minimum scales of wages the multiple shop agreement stipulates that its provisions shall not prevent payment of higher rates nor prejudice any employee at the time receiving greater remuneration. In the preamble both parties also state their view that in the existing status of organization among employers and workers, voluntary agreements are not sufficient by themselves to secure universal and effective regulation of wages without statutory backing.⁴⁰

Following the lead given by the multiple shop agreement, a joint committee appointed as a result of the Minister's Conference presented a report in February 1938 incorporating concrete proposals for statutory backing. The Committee recommended establishment of a National Coordinating Council for the distributive trades to be composed of an equal number of representatives of employers and of workers whose duty would be to fix

³⁷ The same.

³⁸ *London Times*, Nov. 23, 1937.

³⁹ *Ministry of Labour Report*, 1937, p. 103.

⁴⁰ *Ministry of Labour Gazette*, December 1937, p. 472.

minimum rates of wages, hours of work, and conditions of employment for the entire retail trade in consultation with various trade committees each representing a specific branch of retailing. The Report further suggested that the Minister of Labour should be given statutory powers to confirm the agreed proposals of the National Council after hearing objections from interested parties, and to make orders rendering all retailers legally subject to such proposals.⁴¹ These proposals represent a cross between the Cotton Manufacturing Act and the Road Haulage Act, both of which find their prototype in the Trade Boards legislation.

At this writing no definite action with regard to legislation embodying these recommendations has been taken. There is no doubt, however, that they represent a further application of the Trade Boards method to a new industry and one which is generally favored by the parties directly concerned. Legislation along the lines proposed is at present under consideration along with proposed voluntary machinery.

Other developments. The year 1938 also saw the scope of existing Trade Boards and Agricultural Wages Committees as well as that of the Central Wages Board under the new Road Haulage Wages Act extended further into the field of hours by the terms of the Holidays with Pay Act.⁴² Subject to certain prescribed limitations as to duration, this act empowers the bodies mentioned to provide as they see fit for holidays with pay for the workers to whom their minimum wage orders apply.

In May and September 1938 respectively new Trade Boards for the baking and the rubber manufacturing trades were set up by special orders of the Minister of

⁴¹ See note 33.

⁴² 1 and 2 Geo. 6, Chap. 70.

Labour upon joint recommendation of employers and workers in these trades. Recommendations of similar action in the furniture and glove trades is also under consideration by the organizations of employers and workers directly concerned. And there is a possibility that pressure may be brought to bear for revival of the Joint District Boards already provided for under the Coal Mines (Minimum Wage) Act, 1912. Whether a temporary business recession will place a check upon these new proposals remains a question. Certainly past experience suggests a hold-up of Trade Board expansion during periods of industrial stagnation. But just as certainly it forecasts a new phase of growth in fresh applications of these well-tested principles and methods of statutory wage regulation to new industries according to their peculiar requirements, when the depression lifts.

CHAPTER II

WAGE-FIXING MACHINERY

Three types of minimum-wage-fixing machinery now operating in Great Britain may be characterized as (1) voluntary, (2) quasi-voluntary, and (3) statutory, in form. These types of machinery roughly correspond to three degrees of employer and worker organization. They consequently represent different stages in the evolution of industrial democracy.

TYPES

Voluntary. Wage fixing is voluntarily achieved by collective agreement in three ways. In most of the largest and best organized industries such as (railways, shipping, iron and steel, engineering, boot and shoe, and the building) trades, organizations of employers and workers have voluntarily developed elaborate national machinery for wage negotiation and settlement of industrial disputes. This machinery has been in operation for a long period of years and constitutes the chief method of wage determination in Great Britain.

In seventy-three¹ less important and for the most part less well-organized trades which previously had no permanent machinery for joint negotiation, among them pottery, flour milling, electricity supply, and certain public service industries, national Joint Industrial Councils, known as "Whitley Councils," were voluntarily established in the immediate post-war years. Incident to their function as instruments of self-govern-

¹ J. Henry Richardson, *Industrial Relations in Great Britain*, p. 137.

ment a major purpose of these Councils was to facilitate voluntary collective wage negotiation and agreement in their industry. About fifty of the Whitley Councils have current wage agreements.² Since they are essentially voluntary bodies the British government has taken no direct part in their formation. Through the Ministry of Labour, however, indirect encouragement has been given in ways requested by the Councils themselves and by recognizing them as official consultative committees on questions pertaining to their industries.

In a number of the industries having Whitley Councils which do not conclude wage agreements, such agreements are negotiated directly by organizations of employers and workers outside the Council. Wage awards of a third party to whom disputes have been voluntarily referred for arbitration also obtain in some industries. And in still other industries and occupations where no formal collective agreements exist, there are rates generally recognized by employers' associations as those which shall be paid by their members, or by trade unions as the minima which their members may accept.

Voluntary collective agreements are often made for a stated period and are customarily observed as definite wage contracts, though they cannot actually be enforced at law. The wages thus prescribed are standard rates, but actually constitute the minima if not also the maxima for specified occupations and areas.

Quasi-voluntary. The object of the machinery here classified as quasi-voluntary is primarily to support and maintain the wage rates already set by "good employers" or by voluntary wage agreements rather than actually to fix the rates of wages themselves. This method of wage control is used wherever the "Fair Wages Resolution"

² The same.

of the House of Commons is in force. It also applies to workers covered by several special acts providing that "fair wages" as defined by the Fair Wages Resolution shall be paid in return for government concessions or protection of various kinds, under the Cotton Manufacturing Industry (Temporary Provisions) Act, 1934 and Part II of the Road Haulage Wages Act, 1938.

The Fair Wages Resolution, passed by the House of Commons on March 10, 1909, specifies that the contractor shall, under penalty of a fine or otherwise, pay rates of wages and observe hours of labour not less favorable than those commonly recognized by employers and trade unions (or, in the absence of such recognized wages and hours, those which in practice prevail among good employers) in the trade in the district where the work is carried out. Though in theory a "minimum wage" and a "fair wage" represent quite different levels, the wording of the Fair Wages Resolution "not less than" renders the fair wage in practice a minimum wage for those who come under it. The Fair Wages clause is included in all government contracts, customarily though not compulsorily in the contracts made by the local authorities and in special contracts involving government grants, subsidies, or guarantees. The responsibility for including this clause in government contracts, as well as for its observance and interpretation, rests with the government departments concerned, advised by an inter-departmental committee. Growing out of friction over its interpretation and enforcement, a revision in the wording of this resolution is now under consideration by a special committee appointed by the Ministry of Labour.

The British Sugar (Subsidy) Act, 1925,³ exemplifies

³ 15 Geo. 5, Chap. 12.

the second method of quasi-voluntary minimum wage control. The act is designed to assist the home sugar beet industry in its early stages by granting a government subsidy on each hundredweight of home-grown sugar produced. In return for this subsidy the act requires three concessions on the part of sugar producers. These include payment to farmers of a fixed price for sugar beets, use of British manufactured plant and machinery, and payment of wages to persons employed in the manufacture of sugar or molasses at a rate not less than that required under the Fair Wages Resolution, except where rates have been agreed upon by a Joint Industrial Council representing the employer and the persons employed. If any dispute arises as to what wages ought to be paid under this provision, the question must be referred by the Minister of Labour to the Industrial Court for settlement.

Other acts by which similar wage requirements are exacted from persons receiving government subsidies or other assistance are: the Housing (Financial Provisions) Act, 1924; the Housing Act, 1930; the Housing (Scotland) Act, 1930; the Housing Act, 1935; the Housing (Scotland) Act, 1935; the Housing Act, 1936; the British Empire Exhibition (Guarantee) Act, 1925; the Sugar Industry (Reorganization) Act, 1935; the London Passenger Transport (Agreement) Act, 1935; the Railways (Agreement) Act, 1935; the Air Navigation Act, 1936; the Bacon Industry Act, 1938; and the Cinematograph Films Act, 1938. The Corn Production Act, 1917, now repealed, was the first act to contain provisions requiring a social return for a government concession but it contained minimum wage provisions, rather than the Fair Wages clause.

A third and a more sharply defined method of quasi-voluntary wage control is provided under the Cotton Manufacturing Industry (Temporary Provisions) Act, 1934. This represents the only piece of legislation now on the statute books by which statutory backing is given to purely voluntary agreements. Its object is to protect the majority of employers and workers having collective agreements in that trade from the competition of other employers who pay lower wages. This end is achieved by making collective agreements signed by representatives of organizations including a majority of the workers and of the employers controlling a majority of the looms in the trade obligatory upon the entire trade by means of an administrative order.

Statutory. Machinery providing for compulsory establishment of minimum wage rates is set up under six acts of Parliament. These are the Trade Boards Act, 1909, and amending act, 1918, the Agricultural Wages (Regulation) Act, 1924, applying to England and Wales, the Agricultural Wages (Regulation) (Scotland) Act, 1937, the Coal Mines (Minimum Wage) Act, 1912, and the Road Haulage Wages Act, 1938. With the exception of coal mining, in which peculiar economic conditions elude even a strong organization of workers, these acts are intended to protect the wages of workers in poorly organized or unorganized industries.

✓ COVERAGE

About 2,700,000 workers belong to the trades covered by statutory wage-fixing machinery. A very rough maximum estimate of the number of persons affected by voluntary wage-fixing machinery is 8 million, while the number included under quasi-voluntary provisions may

be around 3 million. Taking the three types together and allowing for overlapping, a minimum estimate indicates that at least 11 million out of the total 15 million industrial and agricultural workers, or approximately 75 per cent of the total, are covered by some definite form of wage-fixing machinery.⁴ Considering the indirect in-

⁴ Under the statutory machinery are included: 1,136,000 Trade Board workers, which is the estimated number of persons normally seeking employment in occupations within the scope of these Boards (*Ministry of Labour Report*, 1935, p. 127); 742,500 agricultural workers, the estimated total number of agricultural workers on holdings of more than one acre (*Ministry of Labour Gazette*, September 1938, p. 343); about 200,000 road haulage workers (estimated by the Ministry of Transport); and 615,000 underground coal miners (*Ministry of Labour Gazette*, October 1938, p. 383). This gives a total of 2,693,500 workers whose rates of wages are now governed by statutory wage legislation.

The number of workers covered by voluntary collective agreements is a very rough estimate based upon the number of persons receiving increased rates of wages in 1920, when practically all workers covered by collective agreements received increases (*Twenty-Second Abstract of Labour Statistics of the United Kingdom*, p. 88). This figure is nearly 8 million. It includes workers whose wage rates were raised under Trade Board orders, but excludes agricultural laborers, government employees, domestic servants, shop assistants, and clerks. In many cases workers whose wages were raised by individual employers or unorganized workers receiving wage increases are also excluded. Since 1920 there has been a considerable extension of voluntary collective agreements so that 8 million seems a reasonable estimate of workers covered by current voluntary agreements. This figure excludes all but a few of those coming under Trade Board determinations; but it includes about 3 million workers affected by voluntary agreements of Whitley Councils (the number estimated by Richardson in *Industrial Relations in Great Britain*, p. 138) and an indeterminate number of workers coming under the Fair Wages clause. It also includes a group composed of the following workers who come under collective agreements but who are covered by some form of legislative wage-fixing machinery in addition: most of the 150,000 cotton weavers who are covered by quasi-voluntary provisions; the 615,000 underground coal miners to whom statutory provisions nominally apply; about 125,000 road haulage workers coming under the Road Haulage Wages Act; and a few other workers covered by Trade Boards and Agricultural Wages Committees. Deducting this last group of workers the number otherwise covered by voluntary agreements has been taken to be about 7 million.

Even a very rough estimate of the number of workers covered by the

fluence wielded by the three-quarters upon the remaining quarter, it seems safe to assume that individual bargaining between master and man is relatively little practiced in Great Britain.

PROVISIONS

Though the minimum wage laws differ in significant details, they have a common basis in the democratic principle and in the representative board type of machinery which each embodies. The principle is, of course,

Fair Wages Resolution is difficult owing to its loose wording and to the intermittent character of employment under government contracts. A statement in *The Economist* (Aug. 14, 1937, p. 332) indicates that several million workers are affected at some time each year by the Fair Wages clause. Allowing for overlapping with voluntary agreements and Trade Board orders, and excluding 550,000 road haulage workers who now come under the Road Haulage Wages Act, 1938 (*Hansard*, May 11, 1938, col. 1611), 1 million appears to be something like the number of workers to whom this Resolution might exclusively apply at any one time.

Of the 210,000 insured workers in cotton manufacturing (*Ministry of Labour Gazette*, November 1937, p. 443), only the weavers, who constitute about 70 per cent, or 150,000 of the workers in that branch of the trade, come under the quasi-voluntary wage provisions of the Cotton Manufacturing Act. There are, also, approximately 350,000 road haulage ("C" license) workers falling within the quasi-voluntary provisions of the Road Haulage Wages Act (estimated by the Ministry of Transport). Combining the number of persons estimated as falling under the Fair Wages Resolution, those coming under the Cotton Manufacturing Act, and the road haulage workers within the scope of quasi-voluntary wage provisions of the Road Haulage Wages Act, a total of some 1,500,000 workers may be counted as subject to quasi-voluntary wage legislation for this purpose.

The grand total of all workers covered by wage-fixing machinery, including 2,693,500 under statutory machinery, 7,000,000 under voluntary collective agreements, and 1,500,000 under quasi-voluntary machinery, may thus be estimated at roughly 11,193,500 workers, rounded to 11 million.

The estimate of 15 million industrial and agricultural workers was obtained by adding 14,296,000, the estimated total number of persons 14-64 years of age insured under the general and special unemployment insurance schemes (*Ministry of Labour Gazette*, November 1937, p. 420) and 742,500, the estimated number of agricultural workers (*Ministry of Labour Gazette*, September 1938, p. 343). This sum, 15,038,500 has been rounded to 15 million.

rooted in Great Britain's political tradition, while the form of its application to the field of wage regulation, though directly imported from Australia, also finds its prototype in the parliamentary system. Nor is this machinery peculiar to statutory minimum wage regulation. On the contrary miniature industrial parliaments, or tripartite boards, each having an equal number of members representing employers and workers plus one or more persons empowered to cast the deciding vote in case of a deadlock, have become characteristic instruments of the industrial democracy which has gradually developed in Great Britain, especially during the past twenty years.

*The Trade Boards Acts, 1909 and 1918.*⁵ Most important of British minimum wage legislation because they have operated longest, because they affect the greatest number of workers, and because their determinations are the most comprehensive are the Trade Boards Acts, 1909 and 1918. These two acts must be read together, the former being the principal act and the second an amendment.

The original Trade Boards Act had five outstanding features: (1) it entrusted the determination of minimum rates of wages to boards composed of persons representing the various trades coming within the scope of the act rather than to government officials; (2) it provided for compulsory enforcement of such rates by the government; (3) it empowered the Board of Trade⁶ to set up such boards in any "sweated" trade in which such action was expedient, subject to confirmation by Parliament; (4) it stipulated that such trades could be withdrawn from the purview of the act when the danger of "sweating" ceased to exist; (5) it provided that

⁵ 9 Edw. 7, Chap. 22; and 8 and 9 Geo. 5, Chap. 32.

⁶ After 1916 the Minister of Labour.

minimum rates fixed by the boards should remain in "limited operation" for a period of ~~six months~~ after which they could be made obligatory by order of the Board of Trade.

The Trade Boards Act of 1918 amended the act of 1909 in certain important respects. First, the conditions upon which establishment of a Trade Board depended were so altered as to emphasize inadequate organization rather than exceptionally low wages; second, the rate-fixing powers were enlarged; third, the extension of Trade Boards was facilitated and the machinery for prescribing compulsory rates was speeded up by making it possible for the Minister of Labour to set up new Boards without confirmation of Parliament and by repeal of the limited operation clause.

No changes have been made since 1918. As the acts now stand the Minister of Labour is authorized to establish a Trade Board for any trade where in his opinion "no adequate machinery exists for the effective regulation of wages throughout the trade" and where "having regard" to the prevailing rate of wages in the trade it is expedient to apply the acts.¹

The Minister establishes a new Trade Board by making a "special order." Before making a special order a notice of intention to make the order must be published, including a statement of the period (not less than forty days) within which objections to the draft order may be lodged. Every special order must be laid before each House of Parliament, but requires no vote of confirmation to render it effective as do "provisional orders," by which Boards were established under the act of 1909. If an address asking annulment of the order is presented to His Majesty by either House within the next forty

¹ Sec. 1(2), 1918.

days on which the House has sat, the order may become void.⁸ Otherwise it becomes automatically effective.⁹ In the same manner that Trade Boards are established, a Board may be abolished if the Minister decides that the reason for its existence no longer obtains.

A Trade Board has as many members as are required to render it thoroughly representative of the trade. These members comprise representatives of employers and of workers in equal number plus several independent persons known as "appointed members." The act specifically states that women are eligible for membership. It is required that at least one woman shall be an appointed member on every Board for a trade in which women are largely employed,¹⁰ and that homeworkers shall be represented on the Boards for trades in which a considerable proportion of homeworkers is engaged.¹¹

Every Trade Board is charged with the duty of fixing a minimum rate of wages for time work. It may also fix other specified piece- and time-rates of wages to apply universally or to any special process in the work or to any special area, or to any class of workers in that trade.¹² Boards may cancel or vary such rates, provided they have been in operation at least six months. If they have not, the consent of the Minister is necessary to permit cancellation or variation by a Board.¹³ Indirectly through the power to fix special minimum rates for overtime, Trade Boards may to a certain extent control hours of work.¹⁴

Before finally fixing, varying, or canceling minimum rates of wages, Boards must give notice of their "pro-

⁸ See sec. 2(4), 1918.

⁹ Sec. 2, 1918.

¹⁰ Sec. 11(3), 1909.

¹¹ Sec. 3(5)(c), 1918.

¹² Sec. 13(2), 1909.

¹³ Sec. 3(1-3), 1918.

¹⁴ Sec. 3(1), 1918.

posal” to take such action and must consider any objections which may be lodged with them within two months from the date of notice.¹⁵ At the termination of this period the rates may be either “fixed” or revised and “proposed” again. No rate prescribed by a Trade Board becomes legally enforceable, however, until confirmed by the Minister of Labour, who is required either to approve or return for reconsideration by a Board every set of rates formally proposed within one month after he has been notified of such action, unless special circumstances make it desirable or necessary to postpone confirmation.¹⁶

In addition to their rate-fixing duties, Trade Boards are accorded permissive power to establish representative, district, advisory committees to make recommendations regarding minimum rates of wages for defined areas.¹⁷ Under certain circumstances a Board may also grant permits exempting employers from paying the minimum rate to individual workers on account of infirmity or physical injury.¹⁸

They are required to consider and report upon any matter referred to them by a government department dealing with the conditions in their trade,¹⁹ and they may take the initiative in making a recommendation with reference to the industrial conditions of their trade to any government department which is then required to consider it.²⁰

General administration of the acts is vested in the Minister of Labour,²¹ who makes regulations regarding the proceedings and meetings of Boards, appoints the officers necessary for carrying out the terms of the

¹⁵ Sec. 3(5), 1918.

¹⁷ Sec. 12, 1909.

¹⁸ Sec. 3, 1909.

¹⁶ Sec. 4(1) (2), 1918.

¹⁹ Sec. 5(5), 1918.

²⁰ Sec. 10, 1918.

²¹ Prior to 1916 in the Board of Trade.

acts, and enforces the legal rates, in addition to performing other functions previously mentioned.²²

Payment of wages at less than the minimum rate prescribed by a Trade Board renders an employer liable on summary conviction to a maximum fine of £20 for each offense and to a fine of not more than £5 for each day on which the offense is continued after conviction.²³ Arrears of wages on the minimum basis due to an employee may also be recovered upon order of the Court,²⁴ criminal proceedings being taken for violation of the acts and civil proceedings for recovery of arrears.

The expenses of administering the act are paid from moneys provided by Parliament.²⁵

*The Agricultural Wages (Regulation) Acts, 1924 and 1937.*²⁶ The Agricultural Wages (Regulation) Act, 1924, applying to England and Wales, and the act of 1937 extending almost identical provisions to Scotland are similar to the Trade Boards Acts in their main intention and structure. Certain modifications have been introduced, however, either in order to meet the special conditions obtaining in agricultural pursuits or in an effort to correct minor defects which experience has revealed in the operation of the Trade Boards Acts.

For purposes of the Agricultural Wages Acts "agriculture" is loosely defined as including "dairy-farming and the use of land as grazing, meadow or pasture land or orchard or osier land or woodland or for market gardens or nursery grounds."²⁷

By the terms of the act of 1924 the Minister of Agriculture and Fisheries is required to appoint a central Agricultural Wages Board for England and Wales and

²² Secs. 14 and 15, 1909.

²³ Sec. 6(1), 1909.

²⁴ Sec. 6(2), 1909 and Sec. 9(2), 1918.

²⁵ Sec. 21, 1909.

²⁶ 14 and 15 Geo. 5, Chap. 37; and 1 Edw. 8 and 1 Geo. 6, Chap. 53.

²⁷ Sec. 16(1), 1924.

county Agricultural Wages Committees.²⁸ On the first establishment Committees were to be set up for each of the fifteen groups of counties named in the second schedule to the act. Following that, these Committees could be dissolved upon resolution of their own representative members and new Committees formed for each county or group of counties as recommended by the Committees affected and considered expedient by the Minister.²⁹

The county Agricultural Wages Committees consist of employer and worker members in equal numbers and in addition two impartial members, and a chairman. The representative members are nominated, wherever advisable, by organizations of persons for whom they are designed to speak, and appointed by the Minister of Agriculture. But the chairman is chosen annually by the Committee except in case of a deadlock, when the Minister makes that appointment as well.³⁰

The Agricultural Wages Board is composed in the same way except that the Minister may appoint any number of appointed members so long as the total does not exceed one-fourth of all the members of the full Board, and that the chairman is appointed by the Minister rather than by the Board. At least one member of the Board must be a woman.³¹ There is no provision for withdrawal of any branch of agriculture or any area from application of the acts.

It is the duty of the Agricultural Wages Committees to determine minimum rates of wages for time-work to apply universally to all agricultural workers in the county or to any special class of such workers, to any special area, or to any special class in any special area of a county. As far as practicable these rates are to secure

²⁸ Sec. 1(1), 1924.

²⁹ First Schedule, 1924.

³⁰ Sec. 1(3) (5), 1924.

³¹ The same.

a weekly half-holiday for workers and may provide a differential rate for overtime. Provisions for exempting employers from paying the general minimum time-rate to workers incapacitated by physical injury, mental deficiency, infirmity due to old age or other causes are also included in section 2(3) of the act. These render the issuance of exemptions considerably freer than under the Trade Boards Acts. Minimum piece-rates may be fixed at the discretion of each Committee. Upon complaint by a pieceworker that his piece-rate, not fixed by a Committee, fails to yield the amount of the applicable general minimum time-rate, a Committee may in specified circumstances direct payment of an additional sum to cover the difference between what he did receive and what he would have been paid at the established general minimum time-rate, such amount being recoverable as a civil debt.⁸²

The Agricultural Wages Act departs from the pattern of other British minimum wage laws, except the Scottish Act, in loosely defining the minimum wage. According to the terms of the act (1924) the Committees are directed so far as practicable to secure to "able-bodied men such wages as in the opinion of the Committee are adequate to promote efficiency and to enable a man in an ordinary case to maintain himself and his family in accordance with such standard of comfort as may be reasonable in relation to the nature of his occupation."⁸³

Committees are, of course, empowered to vary and cancel minimum wage rates as well as to fix them. Rates are first "proposed" and then "fixed" as with the Trade Boards. But the objection period is reduced from two months required under the Trade Boards Acts to a minimum of fourteen days in the case of Agricultural

⁸² Sec. 4, 1924.

⁸³ Sec. 2(4).

Committees. The time consumed in fixing minimum rates has been further reduced under the Agricultural Act by a specific provision relieving a Committee of "proposing" rate schedules a second time when minor modifications have resulted from objections.³⁴ Neither is confirmation by the Minister or the central Board required as by the Trade Boards Acts, though the Minister of Agriculture may upon his own initiative direct a Committee to reconsider any rate which it has fixed.³⁵

The Committees are thus left practically autonomous. If a Committee fails to fix a minimum time-rate of wages within two months after its appointment, however, or does not substitute a new rate for one which has ceased to operate, or if a Committee by resolution requests it, the Agricultural Wages Board may exercise the rate-fixing powers belonging to such Committee.³⁶ Aside from these emergency powers, the function of the Agricultural Wages Board is chiefly confined to the routine matter of issuing the official orders directing payment of wages determined by the local Committees.

As with the Trade Boards the Minister of the department is charged with general administrative functions. For this purpose he may appoint a secretary for the Agricultural Wages Board and a secretary for each of the local Committees, and in addition, as many investigating and other officers as are necessary for enforcement and are approved by the Treasury.³⁷

On summary conviction persons failing to pay the legal minimum rates are subject to a fine of not more than £20 for each offense and £1 for each day on which it is continued after conviction. The burden of proof is on the employer. Arrears may be obtained by civil pro-

³⁴ Sec. 2(6).

³⁵ Sec. 5.

³⁶ Sec. 6.

³⁷ Sec. 9(1).

ceedings,³⁸ as under the Trade Boards Acts. In calculating wages due, certain allowances may be made for payment in kind.³⁹

Expenses of carrying out the act are met from funds appropriated by Parliament up to an amount approved by the Treasury but not exceeding £70,000 per year.⁴⁰

The Minister is required to make an annual report to Parliament of all proceedings under the act.⁴¹

The Agricultural Wages (Regulation) (Scotland) Act, 1937, follows the general lines of the act applying to England and Wales. Provision is made for the establishment of Agricultural Wages Committees in each of several districts as determined by the Department of Agriculture for Scotland. It is specified that these Committees shall consist of not less than five nor more than eight members representing each side, two independent members, and a chairman who is selected by the Committee.

An Agricultural Wages Board for Scotland parallels the central Agricultural Wages Board for England and Wales. It is definitely specified, however, that the Scottish Board shall consist of six members on each side plus three appointed members whereas the English act leaves the number of persons who shall serve on the Committees and the Board to the Minister's discretion. The only differences constitute minor adjustments to special Scottish conditions.

*The Coal Mines (Minimum Wage) Act, 1912.*⁴² The Coal Mines (Minimum Wage) Act, 1912, strongly reflects the condition of conflict which gave it birth. It was originally passed for a period of three years, at the end of which it was continued for an indefinite period.

³⁸ Sec. 7(7).

³⁹ Sec. 11.

⁴⁰ 2 Geo. 5, Chap. 2.

⁴¹ Sec. 7(11).

⁴² Sec. 12.

Since coal mining, unlike agriculture or the Trade Board industries, was a well-organized industry with a long tradition of voluntary wage negotiation, certain definite departures from the Trade Board design were required.

The act applies to all underground workers employed in coal mines, who constitute about 80 per cent of all workers engaged in that industry. Minimum rates of wages are to be determined separately for each of twenty-two districts as set out in the schedule to the act. Such rates are determined by Joint District Boards. To act in this capacity, the Board of Trade may recognize as the Joint District Board any existing or other body fairly representing the workmen and their employers in each district. The independent chairman is agreed upon by the two sides, or if there is no agreement, is appointed by the Board of Trade.⁴³ When considered desirable, three persons acting by a majority may be selected as chairman instead of one.⁴⁴ In case no Joint Board has been recognized at any time for a district, the Board of Trade may appoint an individual to exercise the duties of such a Board, or should either side fail to appoint representatives to sit upon a Joint Board, the other side being willing, the Board of Trade may appoint persons to act as representatives for the side in default.⁴⁵

In determining any minimum rate the Boards are to have "regard to the average daily rate of wages paid to the workmen of the class for which the minimum rate is to be settled."⁴⁶ Besides fixing minimum rates for its district, a Joint District Board may fix a special minimum rate, either higher or lower than the general district rate, for any group or class of coal mines

⁴³ Sec. 2(2).
⁴⁴ Sec. 4.

⁴⁵ Sec. 5(2).
⁴⁶ Sec. 2(1).

to which on account of special circumstances the general rate is not applicable.⁴⁷ District rules are to be made by each Joint Board. The rules must lay down the conditions under which aged and infirm workmen may be exempted from terms of the act, the regularity and efficiency of the work to be performed in order to prevent forfeiture of the minimum wage, the time for which workers are to be paid in case of emergency interruptions, the specific applicability of minimum rates, and other controversial matters.⁴⁸ Minimum rates or district rules may be altered at any time by agreement between the representative members of a Joint District Board or after they have been in effect for one year, upon application representing any considerable body of opinion among either workers or employers, provided three months' notice is given.⁴⁹

If a Joint Board fails to determine the initial minimum rates and rules within a period of three weeks following its recognition or to deal with a valid application for variation of rates before the same period of time has elapsed, the chairman of the Board is to settle the point. His decision has the effect of a decision by the Board.⁵⁰

The act makes no provision for enforcement. The legal minima are therefore enforceable only by civil action for recovery of the amount due. This involves personal suit by the aggrieved worker, whereas under the Trade Boards Acts criminal proceedings may be instituted by the Minister as an offense against the community.

√ *The Road Haulage Wages Act, 1938.*⁵¹ This is the

⁴⁷ Sec. 2(4).

⁴⁸ Sec. 3(2).

⁴⁹ 1 and 2 Geo. 6, Chap. 44.

⁵⁰ Sec. 1(2).

⁵¹ Sec. 4(2).

newest of British minimum wage laws and in effect represents the application of a system of Trade Boards to the special conditions of a large and heterogeneous industry involving the public safety.

The workers covered by the act include those engaged in any or all of the following occupations: (1) driving or assisting in the driving or control of a goods⁵² vehicle; (2) collecting or loading goods to be carried in or on the vehicles; (3) attending to goods while so carried; (4) unloading or delivering goods after being so carried; and (5) acting as an attendant to the vehicle. Those who are required to travel on or accompany the vehicle for the purpose of doing any such work are included.⁵³

Quite different sets of provisions apply to workers employed on vehicles with Class "A" and "B" licenses and those employed on vehicles with Class "C" licenses. An A license entitles the holder to use the vehicle for the carriage of goods for hire or remuneration only. Holders of B licenses may use the vehicle for the transportation of goods either in connection with a business carried on by him or for hire or remuneration. C license holders on the other hand are permitted to carry merchandise in connection with their own businesses in their vehicles but may *not* carry goods for hire or remuneration.⁵⁴

The wages of workers employed on vehicles having A or B licenses are regulated by the Road Haulage Central Wages Board for Great Britain, a Scottish Area Board, and Area Boards in England and Wales for each of the ten existing traffic areas. The Central Board is

⁵² The word *goods* is used here to mean *merchandise* as opposed to *passengers*.

⁵³ Third Schedule to the act.

⁵⁴ Road and Rail Traffic Act, 1933.

composed of not less than six nor more than nine representatives of employers and an equal number of representatives of workers appointed by the Minister of Labour after consulting with any organizations representing the employers and workers in the industry and considering the types of trades and businesses affected, the number of vehicles connected with each, and the various circumstances in which the vehicles are operated. Also sitting upon the Central Board are twenty-four other members, comprising one member from each side of each Area Board in England and Wales, and two members from each side of the Scottish Area Board. These members are likewise appointed by the Minister after consultation with the Area Boards. For each of the twenty-four members a deputy is similarly appointed to act in case a member is unavoidably absent from a meeting. In addition to the members already mentioned the Minister is required to appoint not less than three nor more than five independent members who are not connected with the transport of goods, one of whom is named by the Minister as chairman of the Board and another as deputy chairman.⁵⁵

The Area Boards are composed of equal numbers of representatives of the employers and of workers in the respective areas, appointed by the Minister after consultation with the organizations of employers and workers concerned. The precise number of members on each Board is determined in relation to the special circumstances of each area including its size and the number of licensed goods vehicles. Each Area Board selects one of its members to act as chairman.⁶⁶

It is the duty of the Central Board to fix the rates of wages to be paid to road haulage workers (A and B

⁵⁵ First Schedule to the act.

⁶⁶ The same.

licenses) including holiday remuneration, in the same general manner followed by the Trade Boards. In fixing such rates the Board is directed to consider the various conditions of service of road haulage workers and the circumstances in which the work is done. After drafting proposals for such rates the Board is required to transmit a copy to each of the Area Boards affected.⁵⁷ The Area Boards must then consider the proposals and report to the Central Board within twenty-eight days. The Central Board may then amend the proposals following which notices of the final proposal must be given to all persons likely to be affected thereby.⁵⁸ The Board must consider all objections lodged with them within twenty-one days or more after the notice of proposal has been given, and must send copies of the objections to each of the Area Boards concerned for consideration and report. The Central Board may amend the published proposals in the light of such reports, but if it considers such alterations important, the Area Boards must again be given an opportunity to make representations.⁵⁹ Having finally determined what the rates shall be, the Central Board refers the proposals to the Minister of Labour, who either confirms them by issuing an order rendering them legally effective or returns them to the Central Board for reconsideration.⁶⁰

In fixing rates of wages the Central Board may specify the time that a worker must be employed on road haulage work in any day or week in order to entitle him to receive the rate of wages fixed by the Board and the number of hours after which overtime payment shall begin.⁶¹ The Central Board is also empowered to make recommendations to any government department re-

⁵⁷ Sec. 2(1) (a) and (3).

⁵⁸ Second Schedule to the act.

⁵⁹ The same.

⁶⁰ Sec. 3(1).

⁶¹ Sec. 2(3).

garding the safety on the roads and the conditions of workers employed by A or B license holders. And it may consider and report upon any question referred to it by the Minister in this connection.⁶² Both the Central Board and the Area Boards have power to make arrangements for settling trade disputes between A and B license holders and their road haulage workers and also to promote voluntary organization among both employers and workers.⁶³ This is an important function which other wages boards do not possess.

Under Part II of the recent Road Haulage Wages Act, any worker employed in connection with vehicles operating under a private carriers' or C license, or his trade union, or a trade union representing a substantial number of road haulage workers, is entitled under the act to complain to the Minister that his remuneration is unfair. The Minister then approaches the employer and if the complaint is not withdrawn, he must refer the complaint to the Industrial Court for settlement, provided there exists no suitable, joint, voluntary machinery for settlement of disputes by conciliation or arbitration. If such machinery does exist, the Minister must refer the matter there and it can come to the Industrial Court only at the request of both parties to the dispute.⁶⁴ In any case referred to it, the Industrial Court must fix the rate of pay, if the remuneration received is considered unfair.⁶⁵

⁶² Sec. 2(3) (b) (c).

⁶³ Sec. 2(6).

⁶⁴ Sec. 4(4).

⁶⁵ Sec. 5(1).

The remuneration cannot be deemed to be *unfair* by terms of sec. 4(3) of the act if it is:

(a) equivalent to the remuneration payable in respect of corresponding work in connection with an A or B licensed vehicle and fixed by a Minister's Order made under Part I of the Act; or

(b) in accordance with an agreement in force between a trade union and the particular employer concerned, or an employers' organization of which he is a member; or

(c) equivalent to the remuneration payable in respect of correspond-

A rate of wages having been fixed either by the Central Board or by the Industrial Court, it becomes the duty of all employers covered to pay not less than that amount clear of deductions (except those under the Unemployment Insurance or National Health Insurance Acts). Any employer failing to comply is liable on summary conviction to a fine not exceeding £20 for each offense and for payment of all arrears due to the underpaid workers during the two years immediately preceding the date of the offense.⁶⁶ A penalty not exceeding £100 or imprisonment for a term not exceeding three months may be exacted for altering records, producing false records, or giving false information.⁶⁷ Failure to keep adequate records or post notices in accordance with regulations is also punishable by a fine not exceeding £20.⁶⁸ The licenses of holders violating the wage clauses of the act may be suspended or revoked by the licensing authority who granted them.⁶⁹

The cost of carrying the act into effect including expenses of the Central Board and the Area Boards when authorized by the Minister with the consent of the Treasury is defrayed out of moneys provided by Parliament.⁷⁰

The Cotton Manufacturing Industry (Temporary

ing work by employers in the same trade or industry in the same district in pursuance of an agreement between a trade union and an organization of employers which represents a substantial number of employers in the trade or industry; or

(d) equivalent to the remuneration payable in respect of corresponding work by similar employers in the same trade or industry in the same district in pursuance of a decision of a Joint Industrial Council, Conciliation Board, or similar body; or

(e) equivalent to the remuneration payable in respect of corresponding work by an employer in the same trade or industry in the same district in pursuance of a decision given by the Industrial Court.

⁶⁶ Sec. 7(1).

⁶⁷ Sec. 12.

⁶⁸ Sec. 10(3).

⁶⁹ Sec. 7(4).

⁷⁰ Sec. 13(2).

✓ *Provisions) Act, 1934.*⁷¹ Still another variation of the minimum wage board form is embodied in the Cotton Manufacturing Industry (Temporary Provisions) Act, 1934. The machinery of this act belongs to the quasi-voluntary category, however, since it provides for compulsory establishment of wage rates already determined voluntarily by organized employers and workers. Whereas each of the other acts specifically stipulates that fixation of statutory minima is in no way to prevent consummation of voluntary agreements providing for payment of higher than the minimum rates, the Cotton Manufacturing Act goes a big step farther in giving statutory backing to such voluntary agreements.

The act applies to cotton weaving only, including cotton, rayon, and mixed fabrics.⁷² By its terms organizations of employers and workers may make a joint application to the Minister of Labour requesting that a voluntary agreement be extended to include all employers in the cotton manufacturing trade. Notice of the application must be given, including a statement as to where free copies of the agreement can be obtained and the time within which written objections to such procedure must be filed, as with minimum wage orders under the Trade Boards Acts. Unless the Minister is satisfied that these organizations do not represent the employers controlling a majority of the looms and a majority of the workers employed in the industry of the grades affected, he must appoint a board to investigate the application and report upon its advisability.⁷³

The board consists of a chairman and two other members not connected with the industry.⁷⁴ Each organization making application may appoint six of its members to sit with the board as "assessors" or advisers

⁷¹ 24 and 25 Geo. 5, Chap. 30.

⁷² Sec. 1(1).

⁷³ Sec. 7(1).

⁷⁴ Sec. 5(1).

without a vote.⁷⁵ It is the duty of such a board to consider (1) whether the applying organizations respectively represent the employers controlling a majority of the looms and a majority of the workers of the grades covered by the agreement, and (2) whether it is expedient to make the terms of the agreement generally applicable.⁷⁶ In making its inquiry the board must consider all written objections and may use its discretion about hearing oral evidence on behalf of persons registering objection.

Upon receiving a unanimous and affirmative report from the board, the Minister may issue an administrative order setting out the rates of wages and any other pertinent provisions of the agreement.⁷⁷ Notice of making an order and of the places where copies may be obtained must be published in the *London Gazette*.⁷⁸ Copies of the report must also be sent by the Minister to the organizations directly concerned.⁷⁹ Regulations necessary for giving effect to the provisions of the act are made by the Minister of Labour.⁸⁰

Once an order is in operation, either of the organizations party to the original agreement may make a written request to the Minister asking for its revocation either wholly or in part. Notice of this request must be published in the *London Gazette* with a notice that the order will be wholly or partially revoked as requested at the expiration of three months from the date of publication.⁸¹ When an order has been in operation for at least twelve months, the Minister, having given notice of his intention to those likely to be affected, and stated the time within which written objections must

⁷⁵ Sec. 5(3).

⁷⁶ Sec. 6(3).

⁸¹ Sec. 4(1).

⁷⁸ Sec. 1(3) (4).

⁷⁹ Sec. 5(5).

⁷⁷ Sec. 2(1).

⁸⁰ Sec. 6(4).

be sent to him, may, on his own initiative, appoint a board to consider the expediency of revoking the order. Upon receiving a unanimous recommendation in favor of such action from the board, the Minister may revoke the order.⁸² In case of national danger or emergency, the Minister is further empowered to revoke an order without such proceedings, if in his opinion it is necessary.⁸³

When an order is made, it becomes obligatory upon every employer in the industry to pay not less than the stipulated rate of wages to every employee to whom the order applies. Any employer paying wages at less than the agreed rate while an order is in effect is liable upon summary conviction to a fine not exceeding £10. A copy of the order must be conspicuously exhibited on the premises of every place where persons to whom it applies are employed. Records showing whether wages paid are in conformity with the order must also be kept. Failure to comply with these latter requirements subjects an employer on summary conviction to a fine not exceeding £5.⁸⁴ Since the act fails to mention enforcement, it may be assumed that the organizations of workers and employers concerned are expected to report infringements and to take court action when suitable cases arise. Individual workers can bring civil suits for recovery of amounts due them.

Expenses of administration, including fees to members of boards, expenses in connection with a board's proceedings, and general expenses of administration may be paid out of moneys provided by Parliament as determined by the Minister of Labour with the consent of the Treasury.⁸⁵

⁸² Sec. 4(2).

⁸³ Sec. 3.

⁸⁴ Sec. 4(3).

⁸⁵ Sec. 6(1) and (2).

COMPARISON

The foregoing analysis makes clear the fundamental similarities and differences between the different statutes setting up wage regulatory machinery. All are similar in providing for determination of minimum rates by a joint tripartite body or bodies representing the three parties to industry, the employers, the workers, and the public. Under each law the administrative machinery is bipartite in nature. But the laws differ in the division of powers between the strictly administrative and the quasi-legislative functionaries, as well as in the degree of autonomy accorded to the latter.

Though sole power to determine minimum rates of wages is vested in the Trade Boards, the rates become effective only when confirmed by the Minister of Labour. The final word with regard to selection of Trade Board members also rests with the Minister. On account of these two restrictions the Trade Boards and the Central Wages Board under the Road Haulage Act, which follows the same procedure, hold the least autonomous position of any of the minimum wage bodies. Though the Agricultural Wages Committees are likewise appointed by a government department, no confirmation of the minimum rates which they fix is required. In this respect they enjoy a larger degree of self-government than the Trade Boards.

Owing to a high degree of organization and probably also because they are localized, cotton manufacture and coal mining are eminently suited to industrial self-government. The wage-fixing machinery for these two industries, therefore, allows still more freedom. Under the Coal Mines (Minimum Wage) Act the Joint District Boards are tripartite, the representative members being appointed by a government department as in the

case of agriculture and the Trade Board industries, but the chairman, who has power to cast a deciding vote, is selected by the two sides jointly instead of by a government department. Moreover, the final word as to the legal minimum rate of wages lies with those Joint Boards, there being no check by the Board of Trade, under the general aegis of which they operate.

By the terms of the Cotton Manufacturing Act, legal wage rates are originally determined by groups of organized workers and employers on a purely voluntary basis. They do not become obligatory upon the whole trade, however, until an impartial board, appointed by the Minister of Labour to act in a semi-judicial capacity resembling that of the appointed members on a Trade Board, recommends that these rates shall be made generally applicable by administrative order, nor until such action is finally sanctioned by the Minister. The representative and the neutral members of what amounts to a joint wages board thus act separately instead of together under this arrangement. Complete autonomy in wage fixing is in this way safeguarded by a double check. Whereas enforcement of the legal rates is undertaken by the appropriate Ministry for agriculture, for the Trade Board trades, and for road haulage, this responsibility is left to the voluntary action of individuals or organizations of workers and employers in those industries where strong organization justifies a greater degree of industrial democracy. The Cotton Manufacturing Act, therefore, represents the most advanced form of statutory wage regulation yet established in Great Britain. And in further development of this phase, the Trade Boards idea may yet find its fullest and most successful expression.

PART II
ADMINISTRATION

CHAPTER III

ADMINISTRATIVE ORGANIZATION

In order to cope with the technical detail involved in social and industrial legislation as well as to endow it with the required flexibility, it has become the established practice of the British Parliament to draw such acts in terms of broad principle and general procedure, leaving designated administrative authorities to fill in the details by means of statutory rules and orders having the effect of law. Thus, in addition to enforcing the law, administrative authorities perform a quasi-legislative function.

Like other pieces of social legislation, the various minimum wage acts belong to this category of administrative law. But in one important respect they depart from the customary pattern. Instead of empowering Civil Service technicians to determine precisely what the legal minimum rates of pay and the normal hours of work shall be, these acts entrust their quasi-legislative function to a series of limited industrial parliaments, or wages boards. By such action, Parliament returns to the people, on a functional basis, a portion of the legislative power originally delegated to it by the people on a geographic basis. The effect of this is to lay the foundations of industrial democracy.

To render such procedure constitutional, however, certain checks upon the action of these extra-governmental legislative bodies are arranged. The Trade Boards Acts, for example, provide that the membership of the boards shall be finally determined by the Minister of Labour. The Minister is also required to approve

the minimum rates of wages fixed by the Trade Boards before they become legal. No industry may be brought under the acts until a special order issued by the Minister has lain before Parliament for forty days. In these ways Parliament maintains a sort of remote control over the legislative function through a Minister of the Crown who is directly responsible to Parliament.

The result of this division of powers is to create a bipartite administrative organization, in which the quasi-legislative functions are vested in the wages boards as instruments of collective bargaining, while the purely administrative functions rest with a government department as the instrumentality through which the principles and procedure expressed in the act are carried out. While the wage-fixing function is performed by representatives of the various industries concerned, plus the three neutral members, administration lies in the hands of government civil servants, who form the link between the state and industry.

DUTIES OF THE MINISTRY OF LABOUR

Since this new relation between the state and industry was first established by the Trade Boards Act of 1909 and subsequent minimum wage acts have followed its general lines, the organization under the Trade Boards Acts presents the best example of how a bipartite system has been worked out. The chief duties of the Minister of Labour as set out in the Trade Boards Acts and derived therefrom are:

Setting up Trade Boards

1. To determine what industries shall have Trade Boards.
2. To define the industries for which Trade Boards are to be set up.
3. To issue special orders applying the acts to such industries, to amend these orders as necessary, and to withdraw a trade

from operation of the acts under certain circumstances.

4. To make general regulations for each Board.
5. To appoint members of Trade Boards.

Making Wage Determinations Effective

6. To confirm rates fixed by Trade Boards or refer them back to the appropriate Board for reconsideration.
7. To issue opinions on the scope of Trade Boards.
8. To supervise inspection and enforcement of the wage orders issued by the Trade Boards and to take proceedings in cases of violation.
9. To carry on the necessary investigation and research connected with these duties.

DUTIES OF THE TRADE BOARDS

The main duties imposed upon the Trade Boards under the acts are:

Legislative

1. To fix a minimum rate of wages for time-work in their trade (mandatory) and to vary or cancel these (permissive).
2. To fix, vary, or cancel other types of minimum wage rates as specified in the acts if it is found desirable (permissive).
3. To consider objections lodged against the fixation of a specific minimum rate following its proposal.

Administrative

4. To issue permits of exemption from payment of the legal rates.
5. To certify learners under the acts.
6. To register apprentices under the acts.
7. To make recommendations on questions of scope.
8. To advise government departments upon related industrial subjects.

In addition the Trade Boards are charged with fixing "holiday remuneration" for their trades under the Holidays with Pay Act, 1938.

ORGANIZATIONAL PLAN

The administration of Trade Boards was originally placed in the Board of Trade, apparently upon the as-

sumption that since the Board of Trade dealt with commodities it should also have surveillance over the commodity of labor. Probably for the same reason and especially because it already supervised mines, the Board of Trade was also charged with the recognition and/or appointment of Joint District Boards in connection with the Coal Mines (Minimum Wage) Act, 1912. With establishment of the Ministry of Labour in 1916, however, the administration of Trade Boards was transferred to that new branch of the government, along with supervision of the arbitration and conciliation acts, unemployment insurance, and labor exchanges, which, largely resulting from the experience of the War, had come to be recognized as essentially human rather than commercial in character. Administration of the Agricultural Wages (Regulation) Act, 1924, was deputed to the Ministry of Agriculture and Fisheries. General administrative functions under the Scottish Agricultural Wages Act were placed, as is customary in connection with Scottish legislation, in the hands of the appropriate department for Scotland, which in this case is the Department of Agriculture.

The present organization of the Trade Boards branch of the Ministry of Labour follows the usual line and staff form (see chart p. 80). It should be noted, however, that the secretary of Trade Boards (Div. G 4) coordinates the various Trade Boards instead of supervising them as might be inferred from the chart. This arrangement, of course, represents a departure from the line and staff organization.

Immediately responsible for Trade Boards to the Minister himself is a principal assistant secretary, the work of whose department, in addition to Trade Boards, comprises industrial relations, international labor, and

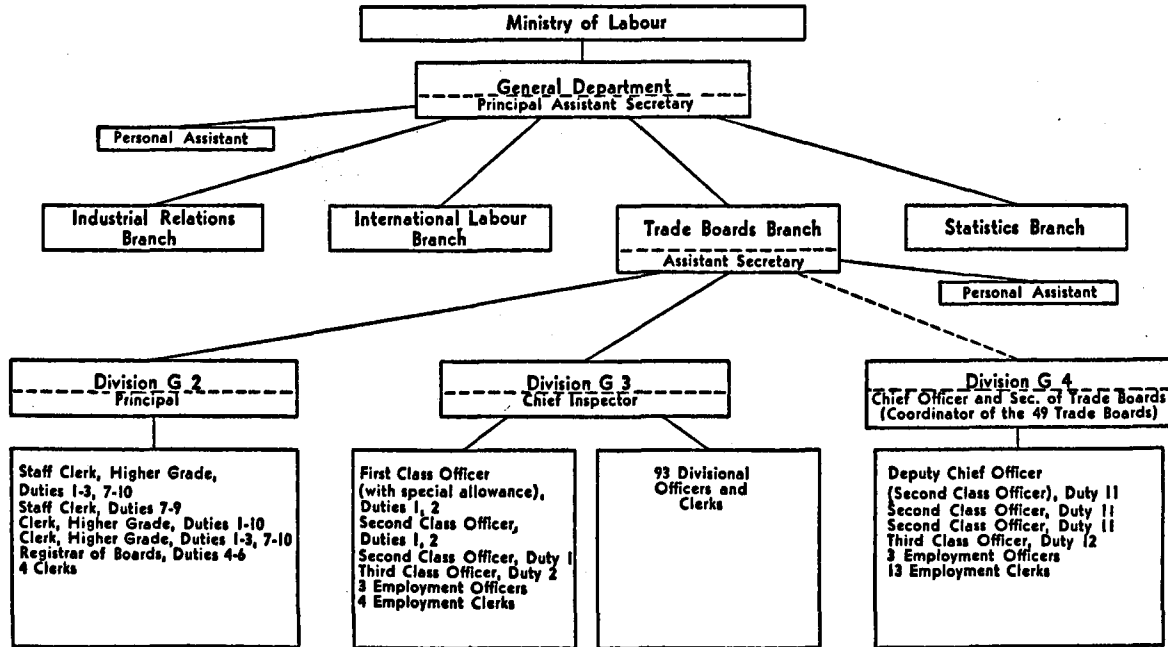
labor statistics. Through its Trade Boards branch this department is responsible for the general administration of the Trade Boards Acts, 1909 and 1918. Its work involves application of the Trade Boards Acts to trades after suitable inquiry, establishment of Trade Boards in those trades, provision of necessary secretarial assistance, and confirmation of rates fixed by Trade Boards. It is also responsible for ascertaining by inspection whether the minimum rates of wages fixed by the Trade Boards are in fact being paid, and for taking steps to secure their enforcement. It advises on questions of scope.

Reporting directly to the principal assistant secretary is an assistant secretary in charge of the Trade Boards branch, whose entire time is devoted to Trade Board work. Under his supervision are three divisions among which the various duties connected with Trade Board operation are allocated.

The work assigned to the first of these (Div. G 2) has to do with the establishment of Trade Boards and the administrative matters arising out of their operation. At the head of this division, with a staff of nine persons, is a "principal" whose salary ranges, according to length of service and other Civil Service regulations, between \$3,896 and \$5,357. The second division (G 3) deals exclusively with inspection and enforcement. Directing its work is the chief inspector who, previous to his promotion in 1933, had for more than fifteen years served as the secretary of Trade Boards. On his office staff are eleven persons in addition to the field inspection staff consisting of 93 persons.¹ The salary range of the chief inspector is \$5,114 to \$5,844. The third division (G 4) represents the Trade Board secretariat, composed of 21 persons, the head of which is the chief officer and secre-

¹ For details see pp. 214-15.

ORGANIZATION OF THE TRADE BOARDS BRANCH OF THE MINISTRY OF LABOUR^a



^a The duties are listed on pp. 81 ff.

tary of Trade Boards, whose salary ranges between \$4,139 and \$4,870.

Including the principal assistant secretary, the assistant secretary, their personal assistants, and the field inspection staff, the total administrative personnel numbers 140. In addition there are 1,743 Trade Board members, making a grand total of 1,883 persons directly required to operate the Trade Boards system.²

DIVISIONAL DUTIES

The specific duties of the three divisions are as follows:

Division G 2. 1. Work in connection with applications and proposals to apply the Trade Boards Acts to new trades.

2. Conduct of negotiations with organizations of employers and workers.

3. Interpretation of the scope of definitions of trades covered by the acts and consideration of revision of existing definitions of Trade Board trades.

4. Drafting of regulations with respect to the constitution and proceedings of Trade Boards and district trade committees.

5. Appointment of neutral members and representative members of Trade Boards.

6. Keeping a record of the personnel of Trade Boards.

7. Examination of rates submitted by Trade Boards for confirmation by the Minister, drafting confirming orders, and the approving of Trade Board notices to be issued to persons affected in the trade concerned.

8. Interpretation of the Trade Boards Acts and confirming orders made thereunder by the Minister.

9. Determination of policy in relation to the operation of Trade Board rates, and general questions.

10. Enforcement correspondence and prosecutions.

Division G 3. 1. Dealing with complaints of infractions of the Trade Boards Acts; reports of inspectors in all cases which cannot be settled locally; interpretation and enforcement of Trade

² At end of 1937.

Boards Acts and of notices issued by Trade Boards (subject to the decision of the appropriate administrative section on questions of doubt or difficulty).

2. Advising the inspectorate and administrative division on technical questions arising out of the enforcement of the Trade Boards Acts and proposals made by Trade Boards or otherwise; operating research and special inquiries of a technical character for the department and the Trade Boards; advising the administrative division on nominations for appointments to Trade Boards.

Division G 4. All secretarial duties for the various Trade Boards, including also the preparation, printing, and issue of Trade Board notices, the maintenance of the lists of employers to whom the Trade Board notices are issued, and the issue of certificates to learners and apprentices.

PERSONNEL POLICY

The high quality and professional attitude of the British Civil Service is so thoroughly established as to require no comment. Within its classifications Trade Board jobs are so defined as usually to involve one type of function only while by means of civil service examinations the type of job is suited to the type of man. Statisticians, for example, do not determine broad questions of policy: they supply the required factual material upon which those trained to think primarily in wholes, rather than in details, and in qualitative as opposed to quantitative terms, may decide what is to be done. Conversely, policy makers do not pretend to settle technical questions. Matters such as that of trade definition or scope, for instance, are in no case determined without the advice of practical persons intimately acquainted with the customs and processes involved in the specific trade under consideration. Individuals whose interests are connected with a trade are not called upon to act in the quasi-judicial capacity of an appointed member

of that Trade Board, nor does Parliament or even the Ministry of Labour, though ultimately responsible to Parliament for establishment of suitable minima, undertake to dictate what these rates shall be. Yet none of the persons concerned are so far removed from the vital issues involved as to render them inhuman cogs in the midst of fast-moving machinery. Indeed, the essence of British personnel practice as illustrated by the Trade Boards is that peculiar integration within a functional organization which makes the good of the whole its primary objective. But this mature conception has not grown up over night. It is rather the product of a personnel imbued with the ideal of public service and many years of experience with the way in which democratically inclined people think and work.

ADMINISTRATIVE EXPENSES

Salary scales. British Civil Servants are highly paid relative to the remuneration in most non-governmental occupations. The salary scales of Trade Board officers are given below:³

	Minimum £	Maximum £
Principal Assistant Secretary	1,450	1,650
Assistant Secretary	1,150	1,450
Chief Inspector	1,050	1,200
Chief Officer and Secretary of Trade Boards	850	1,000 ⁴
Principal	800	1,100
Staff Clerk, Higher Grade	680 ⁵	900 ⁵
Registrar of Boards	680 ⁵	797 ⁵
Staff Clerk	550	650
Clerks, Higher Grade	400	525
Clerks		
Men	85	350
Women	85	280

³ *Civil Estimates for the Year Ending 31 March 1939, Class V, pp. 58-59.*

⁴ Personal maximum of £1,000.

⁵ Personal scale.

	Minimum £	Maximum £
First Class Officers		
Men	738 ^a	847 ^a
Women	605	680
Second Class Officers		
Men	571 ^r	700 ^r
Women	445	580
Third Class Officers		
Men	282 ^s	552
Women	282 ^s	426
Employment Officers		
Men	260	400
Women	225	340
Employment Clerks		
Men	75	280
Women	75	240

Members' fees and expenses. Representative members of the Boards receive no fees but are given allowances on three accounts: (1) traveling, (2) subsistence, (3) loss of earnings. Reimbursement for expenses actually incurred is thus made. Traveling allowances are made for third-class train accommodations only, except where traveling is done at night, though an effort has been made to change this to first-class in all cases. If a member is required to travel five miles each way to and from the place of meeting, he is entitled to specified allowances, the amount depending upon the time and length of absence from home or work. The rate for each twenty-four hours may not exceed £1. For actual loss of earnings through attendance at meetings a maximum of fourteen shillings per day in addition to subsistence is allowed to working men. Employers or workmen in business on their own account, but actually working 75 per cent of the normal

^a In addition, a special allowance of £50 is given one First Class Officer in the Inspection Division.

^r In addition, a special allowance of £60 is given the Deputy Chief Inspector.

^s For first two years £220.

working hours as if journeymen, may claim allowance to cover loss of remunerative time at a rate not exceeding the rate of wages payable to workmen of the same trade up to a maximum of fourteen shillings per day, plus subsistence.

Appointed members receive fees which include subsistence allowance during the entire time spent away from home and traveling expenses as stated above. The following scale of fees is paid both for regular Trade Board and Trade Board committee meetings:

	Daily ^a	Hourly ^b
	£ s.	s.
Chairmen of Trade Boards	5 5	15
Chairmen of District Trade Committees ..	4 4	12
Appointed members	3 3	9

Total expenses. Both the Trade Boards Act, 1909 (sec. 21), and the Agricultural Wages (Regulation) (Scotland) Act, 1937 (sec. 11), provide that all expenses incurred in connection with the operation of the acts, which are sanctioned by the heads of their respective administrative departments, shall be defrayed out of moneys provided by Parliament up to an amount approved by the Treasury. An approximate estimate of the total cost connected with the operation of Trade Boards for the year 1937-38 is £70,000. This includes the following component parts of the estimated "direct" costs of the Trade Boards branch of the Ministry of Labour as published in the national *Civil Estimates*.¹¹

Salaries	
Headquarters	£20,780
Outstations	41,100

^a For absence of 5 hours or more.

^b For absence of less than 5 hours.

¹¹ *Civil Estimates for the Year Ending 31 March 1939*, Class V, pp. 59-70.

Traveling	
Headquarters	450
Outstations	5,000
Fees and expenses of members of Trade Boards	
Fees	650
Expenses for traveling, etc.	2,250
Total	£70,230

No records are available to show separately for the Trade Boards branch the cost of services not included in these estimates. Including all items, the annual cost of insuring a fair minimum wage to workers in the Trade Board trades would, however, be between 30 and 40 cents per worker covered.

COOPERATING ORGANIZATIONS

Though they are not in any way a part of the governmental machinery, a description of the administrative set-up of Trade Boards would not be complete without mention of the Trade Boards Advisory Council of the Trades Union Congress and the Trade Boards Consultative Committee of the National Confederation of Employers' Organizations. These two groups play a very real part in the successful administration and operation of Trade Boards by acting as coordinating organs for the members of the Trades Union Congress and the National Confederation of Employers' Organizations to whom the Trade Boards Acts apply. (The expenses of these committees, including salaries of secretaries, office space, cost of meetings, traveling expenses, etc., are met by the national organizations which they represent.)

In conjunction with their respective parent organizations, the Trade Boards Advisory Council and the Trade Boards Consultative Committee determine the general policy to be carried out by representative members of the different Trade Boards. They furnish specific in-

formation and advice to member organizations regarding the Trade Boards; upon occasion arrange joint representations to the Ministry of Labour on behalf of affiliated organizations directly concerned with Trade Boards; secure joint consultations between the organizations represented on Trade Boards relative to their regulations dealing with wages, hours, conditions of employment, or other pertinent interests of the member societies, making recommendations on such questions when required; hear and report complaints involving violation of the acts; assist in preparing cases for wage demands to be presented by worker representatives before the Trade Boards; and serve as general liaison organs between the Ministry of Labour and the national organizations which they represent in all matters connected with the administration and operation of Trade Boards.¹²

In educating employers and workers regarding the meaning of the acts and what compliance involves, in developing a cooperative spirit in connection with Board negotiations and observance of the legal minimum rates, and in assisting smooth operation of the administrative machinery, the work of these joint bodies has proved invaluable. Through the Trade Boards Advisory Council, the workers, and through the Trade Boards Consultative Committee, the employers, of the nation are thus intimately related to the minimum-wage-fixing system as part of a going concern.

¹² See App. A, pp. 360-61, for constitution of the Trade Boards Advisory Council.

CHAPTER IV

SETTING UP THE TRADE BOARDS

In conformity with the practice of devising different laws to meet special conditions existing in various industries or groups of trades instead of blanketing all industries under one minimum wage law, the Trade Boards Acts, though potentially covering all inadequately organized industries, provide that trades shall be brought in one by one as the occasion arises. This allows time for considering the peculiar problems of each industry before rather than after determination of minimum rates becomes obligatory. Within limits it is also possible to adapt application of the acts to suit each industry by means of selection, definition, and regulations, and so to avoid maladjustments which might otherwise cause friction if not litigation.

INITIATING TRADE BOARDS

The power to initiate application of the acts in any trade rests with the Minister of Labour, but in practice the original impetus usually comes from other sources. The facts revealed by the Earnings and Hours Enquiry of 1906, and previous investigations, indicated where the original Trade Boards were most needed. Information collected by the various wage tribunals and special committees dealing with wages during the War, especially lists of trades in which Boards should be established submitted in memoranda issued by the Reconstruction Committee and by the Anti-Sweating League, suggested the most important industries to the Ministry of Labour for immediate application of the act of 1918. But latterly

the impetus for instituting a new Trade Board has most often emanated from one of the general trade unions. Perhaps unsuccessful attempts to organize workers in a certain trade have been going on for many years. Possibly prevalence of homework, a preponderance of women workers, or the fact of excessively low wages itself has rendered organization difficult or impossible as also happens in the United States. Or, it may be that in negotiating agreements in allied trades the low wage standard in a particular trade is constantly quoted as a reason why wages should not be raised. Under such circumstances a Trade Board may then appear the only protection both for the workers in that sub-standard trade and in other trades affected by its conditions. On some occasions a group of employers has pressed for establishment of a Board, as in the case of drugs and fine chemicals and more recently in the furniture trade, their object being to make the same minimum wage rates generally applicable throughout that industry. In several other cases, notably boot and floor polish, cutlery, and some industries covered by Joint Industrial Councils, employers and workers have voluntarily joined in requesting establishment of a Trade Board. And in still other instances a joint request for establishment of a Board has resulted after unsuccessful attempts to control wages in a trade by voluntary agreement.

SELECTING TRADE BOARD TRADES

A request to the Ministry does not necessarily insure establishment of a Trade Board, however. That depends upon whether the conditions of the acts are fulfilled. The Trade Boards Act, 1909, made application of its terms to any trade contingent upon the prevailing rate of wages being "exceptionally low" in that trade. But this phrase

is omitted in the act of 1918. As amended, the acts now authorize establishment of a Trade Board in any *trade* if the Minister of Labour is convinced that two conditions exist: (1) that there is no adequate machinery for the effective regulation of wages throughout the trade and (2) that it is expedient to apply the acts, having regard to the rates of wages prevailing in that trade.

Obviously the conditions set out in the acts are capable of broad interpretation, and a final decision as to their exact meaning can be given only by a court of law as individual cases arise. Since it is the general policy not to apply the acts to any trade without the sanction of its most influential employers, only three cases contesting the Minister's power to establish a Board have ever occurred. All of these were initiated by employers and hinged upon the question: "What is a trade?" As the acts give no definition of a trade, several aspects of the question have come before the courts. In two cases it was decided on appeal that persons employed in occupations covered by Trade Boards were entitled to the legal minimum rates, even though that occupation was subsidiary to the main business of the employer.¹ The first of these raised a question as to whether women employed regularly for commercial purposes by an employer whose main business was fishing and owning fishing boats fell within the scope of the Drift Nets Mending Trade Board. The second similarly involved the legal rights of persons employed in the laundry of the Hotel Cecil under the orders of the Laundry Trade Board. In both cases the decision was affirmative.

Again, when the Minister of Labour gave notice of

¹ *Skinner v. Jack Breach Ltd.*, High Court of Justice Divisional Court, May 3, 1927, reported in *Ministry of Labour Gazette*, June 1927, p. 240. *Lambert v. Hotel Cecil Ltd.*, King's Bench Division, May 17, 1928, reported in *Ministry of Labour Gazette*, August 1928, p. 307.

intention to apply the acts to the catering trade and objection was taken on the point of law that catering was not a *trade* but a *congeries of trades*, it was decided on appeal² that in defining the catering trade the Minister of Labour had not exceeded the extensive powers given him by the Trade Boards Acts. Concerning this case one of the Lord Justices gave it as his opinion that the word "trade" in the Trade Boards Acts meant "the industrial undertaking or commercial venture and not the collective occupation of tradesmen." He was not prepared to hold that there was not in existence a generic industry which could fairly be called the "catering trade," nor could he see why a trade should not be described by reference to the place where it was carried on nor why persons engaged in the same occupation should not fall within the acts or outside them according to the place where they worked. The argument that the definition of the trade given in the order involved bringing in a number of occupations whose collocation was fortuitous, and could not therefore be said to be branches of one unit, depends, in this Justice's view, upon a fallacious interpretation of the term "trade" as used in the statute. The collection of workers in the catering trade was not fortuitous, he held, if they were regarded as having the common quality of doing work performed in or in connection with a catering establishment.

Quite irrespective of legal decisions the Minister has made certain other distinctions concerning the meaning of the word "trade" for his own guidance in setting up new Trade Boards. Such distinctions are based

² *The King v. Minister of Labour ex parte the National Trade Defence Association; ex parte the Incorporated Association of Purveyors of Light Refreshments; and ex parte the Strand Hotels, Ltd.*, Court of Appeal, Mar. 27, 1931, reported in the *Ministry of Labour Gazette*, April 1931, p. 162.

upon the wording of the acts and are subject to future court decisions. He has thus determined that a trade is distinct from a profession, from commercial occupations, and from domestic service, at least for purposes of applying the Trade Boards Acts. Office and domestic workers, therefore, remain outside the scope of the acts. In accordance with the Minister's interpretations an establishment does not come within the acts unless it is run for profit and its employees are under contract. The inmates of charitable and other institutions, even if receiving remuneration, are consequently exempt from operation of the acts on the grounds that money is not passing by way of trade.

The next question to answer before determining whether a trade is eligible for a Trade Board is whether "adequate machinery exists for effective regulation of wages throughout the trade."⁸ To answer this question no numerical test has been or can be applied. The emphasis has rather been placed upon throughout and effective regulation of wages. (If there are important branches of a trade or certain areas where organization is non-existent or weak, and where wages are low in relation to those paid either in the same trade in other areas or for similar work in other trades, two conditions which usually go together, the Minister will probably consider that trade inadequately organized for effective regulation of wages and therefore suitable for a Trade Board.

In the baking trade, recently brought under the acts, the workers were fairly well organized, but hourly wages were low, at least in certain branches of the trade. This situation tended to prevent general wage increases and to create an unfortunate competitive condition. At the

⁸ Italics mine.

request of a majority of employers and workers a Trade Board was therefore formed.

Occasionally an industry which appears to be highly organized may be placed under a Trade Board. For example the jute industry, which may be about 75 per cent organized on the workers' side and perhaps 85 per cent on the employers', has been drawn within the ambit of the acts on the ground that regulation of wages was not effective. This stand was taken because lack of proper negotiating machinery and a high degree of specialization among the workers linked with insistent depression in that trade undermined the bargaining power of jute employees despite a large trade union membership. Persistence of these conditions assumedly caused the Minister to refuse dissolution of the Jute Trade Board when requested by the employers in 1933.

Besides adequate organization for effective regulation of wages expediency is a further requirement for establishment of a Trade Board. Different sets of circumstances have naturally conditioned the interpretation of expediency in the course of twenty years. The pre-war Trade Boards were set up largely as a result of inflamed public opinion following revelations regarding sweated workers. No trade wished to be brought under the acts at that time because of the stigma attached to sweating. But a protest from employers would only have emphasized these anti-social practices. Consequently little opposition to being scheduled under the act was expressed in any trade but laundry and so the question of expediency was not raised. After passage of the amending act of 1918, this stigma was removed. Trade Boards became part of a larger wage-fixing scheme. During the next few years numerous new Boards were established, usu-

ally without protest from either employers or workers. With the era of falling prices beginning in 1921, however, economic factors came to the fore and simply on grounds of possible wage increases certain trades slated for inclusion under the acts, particularly the distributive groups, launched a strong protest. This protest reached a climax in 1922. Following public investigation and with the market still falling, a new policy regarding establishment of Trade Boards was adopted. And since 1922, except for the short period during which a Labour government was in power—when an attempt was made to establish a catering Trade Board in spite of employer opposition—the test of expediency has apparently been approval by both parties in the industry concerned.

Since 1922, more weight has also been given to the prevailing rate of wages than to the degree of organization in trades where applications for establishment of Trade Boards have been made. The present Ministry appears to have gone a step farther in application of the voluntary principle by looking with disfavor upon application of statutory wage provisions, even in low-wage trades where the majority of both sides approve that action, unless it has proved impossible to effect a satisfactory collective agreement either with or without the good offices of the Ministry. In line with this policy, neither the draft orders establishing a Board for catering nor any of the similar orders pending since 1922 have ever been revived.

A number of other factors in no sense connected with the success or the failure of Trade Boards have also operated since 1922 to prevent establishment of many new Trade Boards. In the first place most of the seriously underpaid industries had already been brought under the acts by the end of 1921 so that the pressure for

establishment of new Boards was somewhat relaxed. Though no changes were made in the acts as a result of the Cave Committee inquiry in 1921-22, there can be no doubt both that the altered Trade Board policy adopted by the Ministry of Labour* and an almost continuous Conservative majority in Parliament have acted as a check upon the extension of Trade Boards. Probably most important of the various influences tending to limit the number of Boards established during recent years, however, has been the depressed condition of business, which in England continued with slight interruption from 1921 to 1933, and the weakened position of the trade unions resulting from it. The extension of wages boards has thus been prevented at the very time when they were most needed.

When the case for a Trade Board appears valid on the basis of representations regarding the inadequacy of organization and the low wage level in a particular trade, a preliminary investigation is next undertaken to discover exactly what conditions obtain in the industry. Such investigations are carried on by the intelligence branch of the General Department of the Ministry of Labour for the Trade Boards branch. The sources tapped include the records of other government departments, interviews with members of employers' and workers' organizations, visits to individual firms and workers, and, of course, published reports as well as private reports of Ministry officers bearing upon the situation. If a prima facie case for application of the acts is established, the matter is then discussed separately and later jointly with groups of workers and employers in the trade. Such conferences are usually convened by the principal assistant secretary responsible for Trade Boards. At this stage it may be

* See p. 262.

possible for the employers concerned to forestall the possibility of statutory action by negotiation of a collective agreement. Or it may be necessary for the Ministry to gather additional information regarding conditions in the trade, perhaps to circulate a questionnaire or to hold a series of conferences with the two parties to the industry concerned. If a careful check of the original allegations shows that trade union organization is defective either in numbers or ability to secure universal observance of collective agreements in a trade, and/or that in comparison with the minimum rates fixed by Trade Boards or by voluntary agreement in similar trades, wage rates fall below a reasonable level in a considerable section of the trade, the preparation of a definition of that trade is begun with a view to establishing a Trade Board.

DEFINING A TRADE

Drawing the exact boundaries of a trade is one of the most difficult and intricate problems involved in administration of the Trade Boards Acts. Yet upon drafting a satisfactory definition in large measure depends the ease with which both the Boards and the Ministry can in future function. When the act of 1909 became effective it was considered unnecessary to draw up more than a broad and general definition. Machine-made lace finishing and chain making, for example, which were two of the trades for which Boards were first established, were not carried on in connection with other trades or industries and seemed clearly defined as phrased in the act. One sentence therefore sufficed to define them. But other trades like paper box making and tailoring presented more complex problems. And when a number of closely allied industries were brought under the acts after 1918, the matter of definition grew immensely important and

intricate. The Minister therefore adopted the policy of drawing precise definitions at the start. By thus answering questions of scope before instead of after they arise, a vast amount of unnecessary work and confusion is avoided. But in spite of all precautions, a great number of questions regarding demarcation and scope are bound to arise in almost every industry.

One group of literally intertwined Trade Board trades is jute; flax and hemp; rope, twine, and net; made-up textiles; and sack and bag. Among these trades there is much overlapping of processes and products. The raw materials used for making rope and twine as well as made-up textiles are chiefly jute, hemp, flax, and cotton. Some establishments manufacturing made-up textile goods such as nose bags, tarpaulins, wagon covers, etc., also spin the jute, flax, or hemp which they use, in this way overlapping with the jute, flax, and hemp mills. Again, some firms manufacturing made-up textile products also make from spun jute and flax the material from which these commodities are fabricated. Similar materials are produced by certain jute- or hemp-spinning mills and are bought from them by other made-up textile firms. The result is that all the workers employed in an individual firm may be entitled to the rates fixed by one Trade Board, or some of them may fall within the scope of one Board while others may come under the aegis of one or two different Boards. The problem for the employer is to discover from the trade definitions to what wage categories his various employees belong. It is the Minister's responsibility to state the boundaries of each trade in such clear and accurate terms that any employer can readily understand precisely what his position is. Since the minimum rates fixed by the different Boards often vary from one penny to two

pence per hour, a muddled definition may make considerable difference in actual pounds and shillings to both the employer and the worker concerned, to say nothing of the confusion and ill-will which it brings down upon those setting the rates as well as upon those administering them.

In drafting a definition the broad lines of the trade are first determined. The basis for this has in all probability been laid by investigations made preliminary to deciding that the trade should be brought under the acts. With few exceptions the line of demarcation is product rather than process. Trade is interpreted in the sense of industry rather than craft. A Board covering all weavers, for example, whether engaged in the cotton, wool, silk, rayon, or other industry, would not be legal.

Then comes the problem of drawing precise lines. On such points considerable diversity of opinion may arise between different branches of the trade as roughly outlined. Are all branches to be included or just those where wages are lowest? Shall all branches be covered by the same Trade Board or shall there be a separate Board for each? To what extent are subsidiary operations regarded as forming a part of the trade? Are side lines, usually belonging to another trade, but produced by some firms in this particular trade, to be included in the definition? These are some of the immediate questions that have to be decided after consultation with employers and workers actually engaged in the trade. And in so far as possible an attempt is made to meet the preferences of those directly concerned.

In connection with the Birmingham light metal trades • employing a large proportion of women, for example, a preliminary survey disclosed, in addition to certain well-defined trades, groups of firms manufacturing several

different types of product, namely (1) buttons, (2) pins, hooks and eyes, and snap fasteners, (3) coffin furniture, (4) general stamped and pressed metal products, including a large variety of articles but all made by the stamping and pressing process. For purposes of the acts it was first proposed to establish one Board covering these four "trades." But the employers protested on grounds that employers in the first three sections had their own employers' associations and sold in different markets, while none of them held trade interests in common with employers engaged in a general stamping business. On this account the Minister set up four Boards instead of one to fix minimum rates for these trades.

A similar decision was made regarding the distributive trades when establishment of Trade Boards was pending in 1922. In spite of representations by employers and workers belonging to national organizations, the Minister took the view, strongly supported by members of the separate trades concerned, that they lacked a common interest since they dealt in entirely different commodities, and it was therefore inadvisable to establish one Board with power to set rates for them all. A further claim by the large department stores that they should receive different treatment since they carried on many distributive trades in one establishment was disallowed on the grounds that a common interest in fact existed between the units of a specific trade regardless of location. A request by several groups of employers engaged in manufacture of sugar confectionery and food preserving for establishment of two Boards was rejected because it was found impossible to draw a fair line of demarcation between manufacture of sugar confectionery, chocolate, jam, preserved fruits, canned and potted meats, meat extracts, sauces, pickles, and the like owing

to overlapping among the different firms. This same issue in different forms has arisen in connection with a number of other trades, in each case the decision having been made in the light of the peculiar conditions obtaining in the particular industry.⁵

After determining the branches of a trade and the subsidiary operations, if any, that are to be covered, the question of side lines manufactured in association with certain articles falling within the scope of a Trade Board has to be considered. Is fish curing, for example, to be included within the definition of the sugar confectionery and food preserving trade in connection with canned and potted meats? If it is, should all fish curing be covered, whether or not carried on in the same establishment with other products falling under the definition? In the same way a question was raised as to whether pen making should be listed in the definition of stamped and pressed metals since pens are made with the same machines used for stamping and pressing other products included in the definition. In answering all such questions the tendency in so far as practicable is to follow the custom of the trade associations if such exist. In conformity with the custom of these trades, therefore, the preparation of fish for sale "in a preserved state in tins, pots, bottles, and similar receptacles" has been included within the scope of the Food Preserving Trade Board, other fish curing being excluded. On the same grounds the manufacture of "steel and base metal pens" has been excluded from application of the minimum rates determined by the Stamped or Pressed Metal Wares Trade Board.

Once a tentative definition of a trade has been drafted

⁵ For further details concerning other industries see Cave Committee Evidence, pp. 65-66, and Dorothy Sells, *The British Trade Boards System*, pp. 55-56.

it is submitted to employers and workers in the trade for the purpose of obtaining their criticisms and ultimately their approval of the policy to be adopted. Should it prove impossible to obtain agreement, it is doubtful if the Minister would proceed further with formation of a Board. The definition is also tested by application to several plants of different types in that trade. Following discussion of proposed amendments growing out of the conferences and the test, a final definition is drawn. Most of the definitions include warehousemen, porters, and general laborers when employed in a trade, in addition to all workers engaged in occupations peculiar to that trade. They usually begin with a general statement of the products or processes covered, following which both the products and/or processes included and those excluded are specified. The current definition of the dress-making and women's light clothing trade provides a typical example. It stands as follows:⁶

Subject to the provisions of the Trade Boards Acts the minimum rates of wages apply to all workers of the classes specified in respect of all time during which they are employed in England and Wales in the wholesale manufacturing branch (as defined in para. 14) of the trade specified in the Regulations dated 28th August, 1928, made by the Minister of Labour, under the Trade Boards (Women's Clothing) Order, 1919 (as varied by the Trade Boards (Shirtmaking) Order, 1920), as set out below:—

Those branches of the women's clothing trade that are engaged in the making of non-tailored garments, namely, the making from textile or knitted fabrics of (a) non-tailored wearing apparel (other than handkerchiefs) worn by women or girls, or by children without distinction of sex, or (b) boys' ready-made washing suits or sailor suits, where carried out

⁶ Order W-D(29).

in association with or in conjunction with the making of garments to be worn by women or girls or by children without distinction of sex;

INCLUDING:—

(1) All operations or processes of cutting, making, or finishing by hand or machine of dresses, non-tailored skirts, wraps, blouses, blouse-ropes, jumpers, sports-coats, neckwear, tea-gowns, dressing-gowns, dressing jackets, pyjamas, under-clothing, undershirts, aprons, overalls, nurses' and servants' caps, juvenile clothing, baby-linen, or similar non-tailored articles;

(2) The making of field bonnets, sun-bonnets, boudoir caps or infants' millinery, where carried on in association with or in conjunction with the making of any of the articles mentioned in paragraph (1) above;

(3) (a) The altering, repairing, renovating or re-making of any of the above-mentioned articles;

(b) The cleaning of any of the above-mentioned articles, where carried on in association with or in conjunction with the altering, repairing, renovating, or re-making of such garments;

(4) All processes of embroidery or decorative needlework where carried on in association with or in conjunction with the making, altering, repairing, renovating or re-making of such articles, other than hand embroidery or hand-drawn thread work on articles made of linen or cotton or of mixed linen and cotton;

(5) The following processes if done by machine: thread-drawing, thread-clipping, top-sewing, scalloping, nickelling and paring;

(6) Laundering, smoothing, folding, ornamenting, boxing, packing, warehousing or other operations incidental to or appertaining to the making, altering, repairing, renovating or re-making of any of the above-mentioned articles;

BUT EXCLUDING:—

(a) The making of knitted articles; the making of under-clothing, socks and stockings, from knitted fabrics; and the making from knitted fabrics of articles mentioned in paragraphs (1) and (2) above, where carried on in association

with or in conjunction with the manufacture of the knitted fabrics;

(b) The making of gloves, spats, gaiters, boots, shoes and slippers;

(c) The making of headgear, other than the articles mentioned in paragraph (2) above;

(d) The branches of trade covered by the Trade Boards (Corset) Order, 1919;

(e) The making of rubberised or oilskin garments;

(f) The making of women's collars and cuffs and of nurses' stiff washing belts where carried on in association with or in conjunction with the making of men's or boys' shirts or collars;

(g) Warehousing, packing and other similar operations carried on in shops mainly engaged in the retail distribution of articles of any description that are not made on the premises;

AND EXCLUDING also:—

(h) Any processes or operations included in the Appendix to the Trade Boards (Shirtmaking) Order, 1920.

§ Notwithstanding the greatest care in drafting, a change in fashion or process or product may invalidate certain parts of the definition and eventually necessitate its amendment. In fact definitions are often amended in this way. On their rounds inspectors are on the watch for ways in which the definitions of different trades should be revised in order to render incidence of the legal minima more practical and fair. An important question of recent origin involves the popularization of rayon. The definition quoted above makes it clear that the making of underclothing is included under the dressmaking and women's light clothing trade,⁷ but it does not include knitted underwear. Persons employed by establishments making knitted rayon underwear, which constitutes the bulk of that now used, are thus

⁷ Sec. (1) of the definition.

excluded under the present definition. Pressure is being brought to bear upon the Ministry for revision of this definition to meet modern consumption habits.

Probably more trouble has been caused by the definition of the stamped or pressed metal wares trade than by any other. This has resulted from an effort to avoid invading some of the big organized trades such as engineering, electrical engineering, and the brass trade, by drawing the official definition in terms of product and process rather than product alone.⁸ The great variety of products included under this definition and the many uses to which they may be put has also complicated the situation. Brass handles, for example, may be used for furniture, in which case the minimum rate fixed by the Stamped or Pressed Metal Wares Trade Board would apply, or they may be used on coffins, when the persons making them would be entitled to the rates as determined by the Coffin Furniture Board. Actually the rates fixed by these two Boards are not far different. But this problem, like many others, gives rise to a question of scope which has to be met.⁹

MAKING "SPECIAL ORDERS"

Irrespective of the problems involving demarcation between trades and the scope of the different Trade Boards which will develop from experience, an initial definition has to be accepted before the minimum wage machinery can be set in motion. As soon as this is done a "notice of intention" to apply the acts to the trade as

⁸ For copy of definition, see App. A, pp. 358-59.

⁹ Still another type of complication may arise when one establishment falls under the aegis of two or more Trade Boards. A case in point is a candy factory which makes its own paper boxes and paper bags. Such an establishment would be subject to the wage orders of three Trade Boards, namely, the Sugar Confectionery and Food Preserving, the Paper Box, and the Paper Bag, and the rates fixed by each would have to be complied with.

defined is issued. This is published in the *London Gazette*, in the trade papers, and in the general newspapers. During the next forty days, objections to bringing the trade as defined under the acts may be lodged with the Minister. In view of the frequent and full consultations with the trade which have already taken place, objections other than perhaps a few growing out of genuine misunderstanding are unlikely at this stage. Should valid objections be raised during this period one of four courses is open to the Minister. He must (1) endeavor to get the objections withdrawn by means of correspondence, consultation, and explanation; (2) revise the draft order so as to meet the objections; (3) withdraw the draft order; or (4) direct a public inquiry to be held by some person not employed by the government, on the basis of which he shall decide whether to proceed with the order.

Prior to 1921 no public inquiry was held in this connection, though some Boards were established without enthusiastic approval throughout the trade. But with the downward price trend beginning late in 1920 the opposition became more belligerent. Draft "special orders" applying the acts to several industries, including the following, were not followed by establishment of a Trade Board: hairdressing; whip making; fruit, flower, and vegetable distribution; and fish, poultry, game, and rabbit distribution. In a number of other trades, notices of intention to apply the acts and requests from employers and/or workers for establishment of Boards for their trades were proceeded with no farther. The only public inquiry connected with the application of the acts to a new trade so far held concerned the catering trade. The proposal was dropped at that time. Apparently in order to avoid conflict between the Ministry and any industry and in recognition of the fact that without

cooperation enforcement is impossible, it is now customary not to issue a notice of intention without prior concurrence of the leaders from both parties to an industry.

Having dealt satisfactorily with any objections at the expiration of forty days, it then becomes the Minister's duty to issue a special order applying the acts to the trade under consideration.²⁰ But there is still another check on application of the acts at this time, though it is negative in nature. Every special order has to be laid before both houses of Parliament. No affirmative action is necessary as was required under the act of 1909. But the order may be annulled as described in Chapter II²¹ without prejudice to the validity of anything previously done under it or without preventing a new order from being made. Once a special order receives the tacit approval of Parliament in this way it becomes a statutory document. Consequently no authority other than a court of law can finally determine its interpretation. Questions of interpretation are often raised in the course of proceedings under the act.

The procedure in amending the definition of a trade as provided for under section 1 (4) of the act of 1918 and in withdrawing a trade from operation of the acts provided for under section 1 (3) of the act of 1918 is similar to that just described, except, of course, that the existing Trade Board then plays an important part in consultation. In several cases public inquiries have been held as a result of objections lodged in connection with proposals by the Ministry to amend the definition of a Trade Board.

²⁰ In four cases several Trade Boards covering different branches of a trade have been set up under one order.

²¹ Pp. 52-53.

**WITHDRAWAL OF TRADES FROM OPERATION
OF THE ACTS**

Though provision is made in the act of 1918 for withdrawal of a trade from operation of the principal act on grounds that the conditions of employment have changed sufficiently to render its application unnecessary, it is noteworthy that in a period of three decades no such action has ever been taken. Judged by the number of organized workers alone, it is possible that several trades, namely jute, flax and hemp, retail and wholesale tailoring, and perhaps others, might qualify for withdrawal. Indeed, in the first three of these trades, the employers have at some time applied for dissolution of the Board, while the workers have considered recommending abolition of the Tobacco Board. But in each case, other circumstances such as weak negotiating machinery, sharp competition from many small unorganized units, or complete lack of organization in one or more important branches of the trade, have caused apprehension lest drastic wage reductions would follow abandonment of statutory regulation. The organized employers might thus be forced to cut their rates of wages to meet the competition of the unorganized. And because the trade is not organized throughout as the acts require, a situation similar to that originally making a Trade Board necessary might again prevail. Assumedly for reasons of this nature the Ministry of Labour has refused to withdraw any trade from application of the acts in the few instances where such action has up to the present been requested.

DRAWING UP TRADE BOARD REGULATIONS

When a special order has been completed, it then becomes the duty of the Trade Boards branch of the Min-

istry under section 11 of the act of 1909 to draw up statutory rules and orders which shall govern the constitution and proceedings of the Trade Board concerned. It is in these regulations that the scope of the Trade Board is defined, and the scope of the Board by no means always coincides with the scope of the trade as set out in the special order. In other respects the regulations have become largely stereotyped over a period of years.¹² They are short and general in nature, usually including stipulations covering the official name of the Trade Board; the number of members, which differs with each Board; how members shall be selected and appointed; the method of appointing the chairman and deputy chairman; resignation of members ceasing to be employers or workers respectively in that trade or of employer members becoming workers and vice versa; terminating appointment of members for failure to attend meetings or incompetence; requirements regarding notification of change in address by members; the term of office of members and eligibility for reappointment; the method of filling vacancies; the method of voting; and the period for which the Trade Board shall exist. In each case, regulations must be laid before both houses of Parliament, but become immediately operative. Beyond such regulations each Trade Board determines its own method of working within terms of the acts.

An important consideration in drawing up the regulations is the number of members which the Board shall have. The object is to make it thoroughly representative of the trade without rendering it unwieldy. All available information must be brought to bear upon the allocation of seats, including the dispersion of the trade, its different branches, the range of products, the proportion

¹² For a typical set of regulations, see App. A, pp. 354-55.

of women workers and homeworkers employed, and the various organizations of workers and employers that are involved. And, of course, a decision can only be reached after consultation with the persons directly affected.

No trade is totally unorganized. Usually the more important employers belong to some trade association, while at least a few workers belong to a general trade union. The less organized a trade is on either or both sides, of course, the more difficult becomes the task of selecting a satisfactory Trade Board, except in one or two industries. If the trade is highly localized as are chain or lace making, for example, and there is only one organization of employers and of workers to be represented, the problem is relatively simple. But in the making-up trades such as dressmaking or retail tailoring, which are carried on in almost every town in the country, the quality of product, ranging from that put out by the court dressmaker in Bond Street or the West-End London tailor to that of the country dressmaker or tailor drawing his clientele from the farming districts, the matter of fair representation becomes very complex. At best the weighing will at first be rough.

After a Board has been in operation for a time, however, its proper constitution grows clearer. The Ministry is always open to suggestions both from the Boards themselves and from inspectors or other investigators who discover new elements requiring representation or find that certain branches of the trade have perhaps died out or give evidence of disproportionate representation between different elements. When the Boards are reconstituted, as they are biennially, all such information and experience is taken into account. After several years under a Trade Board an industry often becomes better organized internally so that it has in a number of in-

stances proved advisable, both on this account and in order to curtail expenses, to reduce the size of its Trade Board.

APPOINTING TRADE BOARD MEMBERS

The members of Trade Boards are appointed by the Minister and their normal term of office is two years. The Minister has power, however, to terminate their membership at any time if they fail to attend meetings or have ceased to be engaged in or connected with the trade. Persons holding political positions are not eligible for Trade Board membership. Under the acts the representative members may be elected, nominated, or partly elected and partly nominated as provided in the regulations of each Board. In a few cases election has been tried with unsatisfactory results. And so it has become customary for the Minister to appoint members from among names submitted by the various organizations concerned. Prior to 1922 the practice was to allocate a certain number of seats to each of the various organizations on each side, leaving the proportion which should be nominated by the different organizations on that side to be arranged between them. The Minister then selected other members to represent the unorganized workers. He also selected homemaker representatives if many were employed in the trade, and persons to speak for other elements associated with no organization.

Various methods of choosing such representatives have been used. In some cases posters have been sent to all the establishments in an industry inviting nominations. But this has resulted chiefly in nominations by organized workers and employers. A more satisfactory method has been on the one hand to ask the organizations for nominations and on the other to make inquiries about suitable representatives for unorganized workers

through the various local offices of the Ministry. Investigating officers in the course of surveying the trade preliminary to establishment of a Board also come into contact with potential Trade Board members. Such names are reported to headquarters. Frequently nominations of unorganized workers have been secured through meetings held in individual firms. Though some unorganized workers fear victimization as a result of Trade Board activity, this has not proved a serious difficulty in selecting worker members. In order to minimize their risk an employer and a worker from the same firm are seldom seated on the same Trade Board. Selection of representatives for unorganized employers also presents many difficulties. They are not easy to locate. They are often reticent about allowing their names to be placed in nomination. Small employers who frequently do manual work in their own shops can spare little time to attend Trade Board meetings. In a few cases employers unaccustomed to organizations and Trade Boards have even refused to allow their workers time in which to select representatives.

In the selection of the workers' representatives for appointment to a Trade Board, the Ministry endeavors in so far as possible to secure persons who are capable of speaking "with direct and personal knowledge" of (1) the principal centers and districts in which the trade is carried on; (2) the principal types or sections of work in the trade; (3) the principal grades of work in the trade; and (4) male and female workers separately. It is also customary to appoint a very limited number of persons to represent the workers who are competent to act as spokesmen irrespective of their knowledge of the particular trade. Such persons are usually trade union members. So far as possible the Minister secures the

nominations for the workers' side of a Trade Board through the unions, but when the unions are unable to find persons possessing the necessary qualifications for a particular worker's seat the Ministry must find a suitable candidate for that seat from other sources.¹³ Of the 843 employer seats on Trade Boards at the end of 1937 nominees of employers' associations filled 732, while 606 of the 843 worker representatives were selected by trade unions.¹⁴

Selection of the appointed members is particularly difficult owing to the high qualifications required of persons chosen for such positions, and owing to the natural pressure of work falling upon individuals of such caliber. All of the Trade Boards except that for boot and shoe repairing have one woman among the appointed members, as is required by the acts when a large proportion of the workers in a trade is women.

The names of persons who are considered suitable for appointed members are brought to the notice of the Ministry in various ways, for example, by other appointed members, by officers of the Ministry, by heads of universities, and by persons of eminence in other walks of life. Other persons may be suggested as suitable candidates owing to successful participation in public work of some kind. The following excerpts from a form letter requesting personal data from prospective appointed members suggest the requisite qualifications:

The principal duties of Appointed Members are to bring the points of view of the Employers' and Workers' Sides into agreement so far as possible by conciliation, to see that the facts on

¹³ *Report of Proceedings at the 62nd Annual Trades Union Congress, 1930.*

¹⁴ For a statement showing the extent to which nominees of employers' and workers' organizations are represented on Trade Boards, by trades, see App. A, p. 362.

both sides are properly brought out, and in the last resort to cast their votes according to their judgment upon the facts elicited in the course of the discussions.

Appointed Members are also chosen to act as Chairmen of the District Trade Committees which have been established by certain Trade Boards.

Appointed Members must be fully competent to perform their duties and there must be general confidence in their impartiality. They should have a knowledge of industrial and working class conditions, must be familiar, or make themselves familiar, with the law as laid down in the Trade Boards Acts and in the Regulations governing the constitution and proceedings of the Boards or District Trade Committees upon which they are appointed to act. They should also acquire a knowledge of the minimum rates of wages as laid down in the Confirming Orders made by the Trade Board for a particular trade.

Owing to the special position of Appointed Members and to the impossibility of drawing distinctions in particular cases, it is not possible to consider for these appointments

(a) Persons (including Directors of Companies) who are themselves employers of any considerable number of employed persons; employed persons; and persons connected with any organization of employers or employed persons, and

(b) Persons prominently connected with any political party, whether as Members of Parliament, political candidates, political or election agents, public speakers, or otherwise.

The term of office of an Appointed Member usually coincides with the term of office of the Trade Board which is normally two years. Retiring Appointed Members are eligible for re-appointment.

Since impartiality and humanness are also requisite, appointed members are primarily chosen for their qualities of mind and character rather than for their particular point of view as are the representative members. Persons combining the attributes of objectiveness and sympathy being rare, the same appointed members often belong to several Boards, though not in the same combination. No one appointed member acts on more

than six Trade Boards. In recent years the total number of appointed members has consequently decreased in relation to the total number of Boards. Thus 65 persons filled 135 seats on December 31, 1931, while 57 persons filled 141 seats on July 31, 1937. Of these 57 persons, 17 were women.

Analysis of the occupations followed by the appointed members incumbent on July 31, 1937 shows that 50 of

ANALYSIS OF OCCUPATIONS OF APPOINTED MEMBERS ON TRADE BOARDS*

Occupation	Number on December 31, 1931			Number on December 31, 1934			Number on July 31, 1937		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Members of the legal profession . . .	13	1	14	13	1	14	12	1	13
University professors and lecturers . . .	14	1	15	14	1	15	16	1	17
Social workers	—	13	13	—	11	11	—	10	10
Ex-civil servants	6	4	10	9	3	12	6	3	9
Ex-municipal servants	2	—	2	1	—	1	1	—	1
Accountants and actuaries	2	—	2	1	—	1	1	—	1
Ex-politicians	1	—	1	—	—	—	—	—	—
Members of the medical profession	1	—	1	—	—	—	—	—	—
Independent	7	—	7	3	2	5	4	2	6
Total	46	19	65	41	18	59	40	17	57

* Office of Trade Boards.

the total 57 come from professions with a tradition of public service, such as the academic or the legal profession, social work, or Civil Service (see table above). Most of the women are social workers. The tendency is to increase the proportion of academic members, since university lecturers and professors have, on the whole, proved most successful as appointed members. Membership on a Trade Board gives the "university don a window on the world of affairs," whereas men and women from other professions are prone to consider themselves rather too busy for this extra work, or they may be inclined to underestimate its value. One of the most suc-

cessful appointed members, who also holds an important academic position, when asked by the writer why he considered it worth while to spend hours of his valuable time in attending Trade Board meetings, replied that he did it for fun. In addition to being public spirited, this man is evidently a philosopher. And no doubt the combination of these two characteristics in large part explains his peculiar success as an appointed member.

NUMBER AND KINDS OF TRADES COVERED

At the end of October 1938, there were 49 British Trade Boards. Seven of these Boards were set up before 1918, 34 between 1918 and 1922, and 8 since 1922.¹⁵ Generally speaking each Board covers one trade or branch of a trade, though closely allied trades or branches of a trade are grouped under one Trade Board in some cases. The trades for which Boards have been established fall into two main categories, the manufacturing trades and the distributive or service trades. Though most of these industries are relatively small and unimportant, they represent a fair cross-section of industry as a whole except that none of the heavy industries are among them.

The 49 Trade Boards are divided among six main groups of trades as follows: (1) clothing, 12 Boards; (2) textile, 8 Boards; (3) metal, 9 Boards; (4) food, 5 Boards; (5) distributive and service, 3 Boards; (6) miscellaneous, 12 Boards. Among these trades are included both consumer and durable goods industries, for

¹⁵ Special orders applying the Trade Boards Acts to baking and rubber manufacturing were made in May and September 1938, respectively. There will be two Boards for baking, one for England and Wales and one for Scotland, and there will also be two Boards for rubber manufacture. This will make the total number of Boards actually 51, only 47 of which had fixed minimum rates on October 1, 1938. This book consequently deals with 47 Trade Boards for the most part.

example, tobacco and chain; trades with an export business having to meet the competition of non-British producers in foreign markets such as wholesale tailoring; industries faced with foreign competitors in home markets as are the small metals trades and lace finishing; and so-called sheltered industries marketing their products at home without foreign competition, among them milk distribution and baking; as well as some trades, of which cutlery is an example, that are protected by tariffs on foreign goods.¹⁶

Some of the trades covered by Trade Boards do both a retail and a wholesale business while others are confined to one or the other branch of the trade. Most of them are carried on in factories or workshops though the size of the work place varies from the small tailoring shops to the more or less large flax and hemp mills or large factories or department stores where such trades as paper box making or dressmaking are carried on as subsidiary undertakings. Many of the trades, laundry, and boot and shoe repairing, for instance, are carried on in almost every town and village of the country while others, especially chain making, lace finishing, jute, and metal manufacture, are highly localized. Some trades, like retail tailoring, cater to both a high class clientele and to people of low income. Some may specialize in a few products whereas other establishments in the same trade make a number of lines of goods. But preponderant among all the industries for which Trade Boards have been established are those employing a relatively large proportion of women and juveniles as well as some homeworkers.

¹⁶ For a complete list of the Trade Boards, see App. A, p. 353.

CHAPTER V

THE TRADE BOARDS AT WORK

Since the ultimate success or failure of any piece of legislation depends as much upon the process as upon the product of its operation, a picture of the machinery in motion is necessary in order to grasp its full significance. This is particularly true of the British wages boards because their manner of working is unique. The Trade Boards being the prototype for both the form and the practice of the other wages boards, they offer the most suitable subject for this close-up view. Most of these Trade Boards have been putting a movable floor under wages and indirectly a ceiling over hours for nearly twenty years, some of them having been at work a decade longer. Within this span of years they have weathered periods of falling as well as rising prices, the neglect incident to war, and even threats of abolition. Yet the Trade Boards are now generally accepted in both principle and method as one of the most successful instruments of social legislation yet adopted in Great Britain.

SIZE AND COMPOSITION OF THE TRADE BOARDS

The Trade Boards range in size from 15¹ to 53² members, the exact number depending upon how many are required to insure that a Board is thoroughly representative of the different elements involved in the trade. The most frequent number of members on a Board is 27. One of the three appointed members is designated by the Minister of Labour to act as chairman, and another

¹ Drift Nets Mending; Fustian Cutting; Pin, Hook and Eye and Snap Fastener.

² Milk Distributive (England and Wales).

is named deputy chairman. Only one Trade Board has a woman for chairman or deputy chairman, however, though women have served as presiding officers pro tem on a number of occasions. In the capacity of presiding officers as well as members with a deciding vote, the appointed members largely determine the harmony and effectiveness of a Trade Board. Since the object of having appointed members upon the Boards is primarily to provide a means of breaking any deadlocks which might occur between the two sides rather than specifically to represent the public or consumers, they are never connected in any business way with a trade for which their Board sets rates.

✓ In contrast with the impartiality of appointed members most of the employer and worker members are actively engaged in the trade which they represent. As far as practicable they are nominated by their respective sides and are appointed by the Minister of Labour to represent the main classes of workers and employers and the different organizations, areas, and branches of the trade, or any special circumstance which may exist if that is possible and advisable. Among the members of each side there are always several accustomed to the techniques of wage negotiation, one of whom is selected as leader and another as secretary by each side. Usually the leaders are officers or negotiators of a "general" trade union counting among its members a number from the smaller and less skilled trades or of an employers' association perhaps combining a group of closely allied industries, as the case may be. In the capacity of union or association officer, several of the side leaders also sit upon different Boards. As a means of coordinating minimum rates and facilitating harmony within and between the Boards, this generally proves a distinct asset.

ORGANIZATION AND DUTIES OF THE TRADE
BOARD SECRETARIAT

The executive work immediately connected with the operation of the Boards is carried on by a common secretariat which is appointed by the Minister of Labour and nominally attached to the Ministry, but is actually at the exclusive disposal and direction of the Trade Boards. The duties of the Trade Boards staff are not defined in the acts. In practice the chief executive officer, known as the secretary, arranges and summons the meetings of Boards in consultation with the appropriate chairman and prepares agenda or other papers for Board and committee meetings. He or one of his assistants attends all meetings and takes notes of proceedings. The secretary subsequently drafts and circulates the minutes; drafts and issues notices proposing and fixing rates; issues communications regarding the Board's proceedings to the press; deals with correspondence; keeps and periodically revises the list of employees subject to wage orders; issues permits of exemption, learners' certificates, and indentures of apprenticeship granted by the Boards; and to a limited extent collects information desired by the Boards in connection with rate determination.

The secretary also instructs and advises the Boards as to their duties and powers under the acts, especially at their early meetings. In so far as possible he gives advice upon minor legal questions as they arise, technical assistance upon major questions always being available upon request to the Ministry. Throughout wage negotiations, the secretary is especially helpful to the chairmen of the Boards in keeping them on the right track with regard to procedure, passing on the experience of other Boards, and suggesting methods of making a Board's intentions effective. The secretary of Trade

Boards plays a dual role, on the one hand being the servant of the Boards and on the other a staff officer of the Minister of Labour. He thus becomes the link between government and industry under the Trade Boards system. Though nominally a clerk recording the Board's decisions, the secretary is actually in a position where he may make an important contribution both towards the spirit in which the Boards work and towards shaping Trade Board policy.

TRADE BOARD MEETINGS

Before every Trade Board meeting, preliminary arrangements, including notification of members and circulation of the agenda and other papers requiring consideration, have thus been duly attended to by the secretariat of the Trade Boards. If it is a Board's first meeting the initiative is taken by the secretary. Otherwise meetings may be convened upon agreement at the last previous session, or whenever a member, usually a side leader, advises the secretary that a meeting is desired. Each side of a Trade Board customarily holds a separate caucus in advance of the full Board meeting to formulate its demands and plan a course of action. Occasionally pleni-potentiaries of the employers' and the workers' sides of the clothing trade Boards have met outside the Boards and have negotiated wage agreements. In such cases the full Board is invited to ratify the agreement in order to render it binding upon the entire trade. But this procedure is not customary with other Boards. At these preliminary side meetings as well as in the side meetings occurring at intervals during the formal sessions of the full Board, ample opportunity is accorded every member to express his views. It is the practice, however, to select an experienced negotiator to act as leader and chief

spokesman for the side during assemblies of the whole Board. This method of working makes it possible for a large Board, which would otherwise prove unwieldy, to do its work efficiently and expeditiously, at the same time preserving a democratic technique by allowing every element in the trade to be represented and to have a voice in determination of the conditions by which it is to be governed.

At a typical Trade Board meeting, the members sit about a long U-shaped table, the employers' representatives on one side, the workers' on the other, with their spokesmen nearest to the closed end, at which are seated the chairman with the other two appointed members, and the secretary or one of his assistants. Such meetings are ordinarily convened in London, but in the case of highly localized trades such as jute or the small metal trades, for example, meetings may be held in Dundee or Birmingham, where these industries are concentrated.

If it is the Board's first meeting each member is supplied with a copy of the acts and a brief printed statement of its rate-fixing powers. In addition, the appointed members are supplied with any information relating to the trade generally which the Ministry of Labour has collected from investigation connected with setting up the Board or which it otherwise possesses. The chairman opens the meeting with a statement outlining the duties of the Board and its method of procedure. No detailed instructions are given. Should the Board be one with members who have functioned continuously for ten or fifteen years, the meeting will more than likely be preceded, even interspersed, with the exchange of friendly jests and compliments between the leaders of opposing sides, the chairman and appointed members perhaps being drawn into this informal warming-up.

Having disposed of preliminaries whatever their nature, the meeting proceeds to the business of the day, involving primarily the fixing or variation of minimum rates for that specific trade. Probably the Board has not met for many months. During the depression of the early thirties some Boards had no meetings for several years. In such circumstances, at least, the reading of the minutes offers a much-needed means of reminder. This may be followed by reports from officers of the Ministry, or by communications from outsiders, if occasion demands. Annually the chief inspector for Trade Boards gives a report on compliance in that particular trade. This is intended to give members an idea about how the prescribed rates are working. An opportunity is also afforded for Board members to report personal observations and for the Board, in conjunction with the chief inspector, to consider the present and future enforcement policy. As soon as official reports are concluded the persons reporting customarily withdraw, as all meetings are strictly private. Other reports or matters may then come before the meeting, as stated in the agenda (see App. A, p. 341, for sample agenda).

Perhaps the Board has just been formed. In this case its first job is to explore the extent and dispersion of the trade along with its customs and practices so that establishments, processes, and occupations may be classified as a basis for the rate schedule. If the Board is genuinely representative of the trade its members will be able to supply most of the required information. With the assistance of special committees, the Trade Board secretariat, Ministry of Labour investigators, and the good offices of the appointed members, differences are eventually ironed out and the framework for a schedule of rates is thus prepared. But this preliminary process may consume

some time and require several meetings of the full Board before it is completed.

THE PROCESS OF NEGOTIATION

The Board then embarks upon its chief business of rate fixing. Every Board is required by the acts to fix a minimum rate or minimum rates of wages for time-work, called "general minimum time-rates." In addition, the following kinds of minimum rates may be prescribed:

1. A general minimum rate of wages for piecework referred to as a "general minimum piece-rate." If no such rate is fixed the piece-rate paid must "yield, in the circumstances of the case, to an ordinary worker" at least the same amount of money as the general minimum time-rate or the piecework basis time-rate.

2. A piecework basis time-rate to apply in cases where, considering all the circumstances, the general minimum time-rate does not appear to form a proper basis for calculating the yield of the piece-rates being paid.

3. A minimum rate (time or piece) to be paid in place of a rate applicable for ordinary time for hours worked in excess of a number declared by the Board to be the normal number per week or per day, called an "overtime rate."

4. A minimum time-rate applying to workers employed on piecework for the purpose of securing them a minimum rate of remuneration on a time-work basis, called a "guaranteed time-rate."

5. A special minimum piece-rate on application of any employer, to cover persons employed by him to whom a minimum time-rate or piecework basis time-rate but no general minimum piece-rate is applicable.³

Either different or the same rates may be prescribed for males and for females. Separate rates may be fixed for homeworkers, for learners, and for apprentices. A

³ This provision has been applied in only three instances, and in one of these the special rate has been withdrawn.

series of minimum rates coming into operation at successive periods may be fixed. And all rates may apply throughout the trade or to specified skills, areas, or processes only.

Aside from the more or less stereotyped regulations covering proceedings, meeting, and method of voting made by the Minister when it is first constituted, each Board has considerable latitude within which to develop its own methods. Since each Board possesses a distinct character of its own which is the composite of the personalities of its members, the practice differs somewhat from Board to Board. The meetings of some Boards are formal, almost judicial. Others may resolve themselves into prolonged debates interspersed with smoking, cross talk, and jokes. As the members became better acquainted through years of association the informality tends to increase. Negotiation is habitually pursued with a courtesy, a sense of proportion, and a light touch calculated to beget good feeling and fortunate results.

Conceived as part of a plan designed to promote industrial democracy, rates are arrived at by a process similar to collective bargaining, assisted by the appointed members acting in a capacity resembling conciliators. First, the leader of the side asking for revision of the rates makes a speech stating his case and naming a figure usually in excess of what he expects to get. This is followed by an equally eloquent speech from the leader of the opposing side. Both proposals are then seconded in other formal speeches. And discussion follows. Should it be the workers who demand an increase, the arguments revolve about the increased cost of living, increases granted by collective agreement in other trades, the constantly increased speed at which work has to be performed, the growing inroads made by the modern

standard of living upon the family exchequer, and the customary lag of wages behind prices on the upward trend. If there happens to be a falling market and the employers ask for a reduction, the reasons offered deal with the state of trade, the fall in prices, decline in demand, competition from abroad, necessity for discharging employees, and the inability to reduce prices until wage costs decrease.

After hearing these opening statements buttressed by arguments which have become thoroughly familiar to everyone over a period of years, but often by scanty facts, the appointed members adroitly endeavor to bring forth supporting evidence and to sort out the vital issues from the camouflage of words. In this process other members of the Board belonging to each side are brought into play. Information may be wanted from a particular area, with regard to a special product or branch of the trade. Those able to give it are free to speak, the chairman often pressing them back until assured that the facts are valid. Meanwhile a fresh offer may come from one side or the other, or what is more likely, the chairman may suggest that each side retire to its respective conference room to reconsider the wage proposals already before the Board. The appointed members first confer among themselves, weighing the issues at stake. They may come to a tentative conclusion of their own or find that they require further information. They then confer with each side separately.

At this point the negotiation commences. With only the members of the workers' or the employers' side present, perhaps only a committee of three or four from that side, discussion becomes more free. The appointed members, led by the chairman, strive to discover, through conferences with each side alone, what present conditions

in the trade really are, what is a suitable wage rate, and what is the lowest or highest figure, as the case may be, to which each side will agree. Agreement between the two sides is the first objective. In order to achieve this end the appointed members attempt to persuade one side to give in here, the other there.

Several series of such informal conferences, alternating between the two sides, may be required before the full Board meeting can be resumed with fair prospect of agreement. During this process the appointed members act more or less as conciliators, continually attempting by means of reason, understanding, compromise, and the power of their deciding vote, to reduce the margin of difference in an effort eventually to bring the two sides together and to find a basis upon which agreement can be reached. If necessary they may indicate their intention to vote for the proposal of one side or the other, provided no agreement is reached. As a last resort they may even suggest an intermediate figure which seems a fair basis for agreement. In this way a sort of *force majeure* is exerted which may appear to destroy free bargaining. Actually, however, it no more than offsets that lack of the concerted power to hire and fire, or to strike, always factors in voluntary collective bargaining between strong organizations of workers and employers.

While it is the definite function of the appointed members upon a Board to prevent a deadlock, the secretary and his staff, as government officials, take great care in no way to interpose their opinions except upon request. Their object is to give the Board all possible assistance, at the same time avoiding interference with industrial self-government. In these circumstances, success obviously depends upon the character and capacity of the leaders of the two sides and, especially, of the

chairman. In so far as he proves himself to be impartial yet human, adroit but honest, reasonable though firm, he gains the confidence of both sides.

One of the amazing features of Trade Boards is the complete confidence and spirit of cooperation that a first-class chairman can elicit from both sides of a Board, even though he and the other appointed members are sometimes forced into the position of voting for one side and against the other. For, notwithstanding the efforts of the appointed members, agreement sometimes fails. Perhaps one side prefers defeat to agreement, although convinced of the inevitability or the fairness of the decision. It may be easier for representatives to face their organization in these circumstances. Or it may be a matter of principle not to vote for what a member does not advocate. Again, failure to agree may be a matter of conviction, or of facts.

In the course of negotiations a certain amount of factual material is presented in the form of official cost of living figures, wage and employment data, trade union wage scales, the results of special inquiries and occasionally of balance sheets. Having no power of discovery, as have some wage-fixing bodies in Australia, the Trade Boards often find business cost data peculiarly lacking. Inadequacy of definite information from both sides of a Trade Board may act as a deterrent to arriving at reasonable minima. In fact this lack constitutes one of the greatest weaknesses of the system. But it is due more to genuine paucity of information than to unwillingness to produce the facts. It does not occur in the case of every Board. Nor is it inherent in the system, since the use of facts may facilitate rather than hamper collective bargaining. Indeed the trend lies in the direction of increased presentation of definite data.

Failure of the acts to define a minimum wage or to state what principles or factors shall be considered by the Boards is also a significant feature of Trade Board wage fixing. This omission doubtless results from the intention that the Boards should become artificial collective bargaining agencies in the absence of strong organizations of employers and workers. And in general it proves an asset rather than a liability. It leaves the Boards entirely free to determine what are the pertinent considerations and to deal with them without setting up a spurious standard of which the Trade Boards, like other representative wage committees, are bound to fall short. Wage fixing is thus endowed with a certain elasticity involving the possibility of differentials in trades, areas, or occupations where attempts to reach a rigid standard might work hardship upon both employers and employees. Labor members in general having in mind a "comfortable living" standard or rates comparable with those paid for similar work in other trades, and employers a bare "subsistence" wage or one above the sweating level, the usual compromise turns out a minimum somewhat higher than midway between the two standards.* This approaches what the framers of the 1918 act apparently designed. Though such rates are not the maxima, they are and are intended to become those "prevailing" in these low-paid and relatively unorganized trades.

VOTING

After a reasonable period of negotiation the employers' and workers' proposals have, at worst, come somewhat closer together. Should a compromise still prove impossible it then becomes the duty of the appointed members to cast the deciding vote. Each member of a

* See chart, p. 283.

Board has one vote, except those on six Boards, Retail Tailoring (Scotland), Wholesale Tailoring, Shirt Making, Cutlery, Dressmaking (Scotland), and Lace Finishing, where the presence of divergent interests on the same side would make a split vote possible. To these particular Boards the privilege of "side-voting" has been granted. Side-voting means that instead of each individual casting his own vote, one vote each is cast by the employers' side, the workers' side, and the body of appointed members, according to the majority vote of each group. Provision is made for equalization of sides on the other Boards so that when more persons belonging to one side are present than of the other, enough members of the majority side voluntarily abstain from voting to equalize the total number of votes cast by each side.

Customarily, all the members of each side vote for the same wage rate. But there are instances, where side-voting was not provided for, in which cross-voting has occurred. For example, it once happened on a Trade Board covering an industry which is said to be at least 60 per cent controlled by a single company, that the representatives of that company, who outnumbered the appointed members, voted with the workers' representatives, thus increasing the minimum rates against the opposition of the independent employers.⁵ This occurs most frequently on Boards on which the Cooperative movement is represented on the employers' side, the Cooperative members voting with the workers against the rest of the employers' side. These circumstances are largely responsible for the arrangement of side-voting on some of the Boards. Though other similar situations have arisen, altogether they are few and infrequent.

⁵ Dorothy Sells, *The British Trade Boards System*, p. 11.

On such occasions, which are rare, appointed members may lose their decisive vote. There have also been times when one side of a Board or the other completely abstained from voting or even temporarily withdrew from a meeting in protest against action of which it disapproved. Proceedings may thus be entirely stopped on grounds of policy, though not necessarily so since the act provides that a quorum shall consist of one-third of the total number of representative members on a Board plus one appointed member. In one or two instances it has also happened that the workers' representatives on a Trade Board have agreed to send a deputation to the Board of Trade asking for a protective tariff on foreign products competing with those of British employers, as a return for wage concessions. Since price fixing has no place in connection with any of the British minimum wage systems this represents the nearest approach to collusion that has ever occurred. But such incidents present no serious obstacle, since they very rarely occur. Quite to the contrary, a majority vote of a Board is customarily accepted by the losers with the traditional British good sportsmanship.

THE FUNCTION OF APPOINTED MEMBERS

In casting the deciding vote the appointed members act much more like arbitrators than conciliators. Yet they have no power to hand down an award. Their function has been likened to that of a jury. And it does involve a judicial element. But a jury hears a case and presents a verdict without attempting to reconcile the two parties before the court. Moreover, the appointed members are not always in a position to make the decision. On no Trade Board is the number of appointed members large enough to make it possible for them to impose anything

upon a trade which neither the workers nor the employers accept. The most they can do in voting is to tip the balance towards one side or the other. Should there occur a division of opinion among them, the chairman must determine the result. Analysis thus shows the function of appointed members to be a combination of conciliation, arbitration, and bargaining, a hybrid sort of human art peculiar to the wages boards of Great Britain.

Ordinarily appointed members vote with reluctance, especially in connection with fixing piece-rates or rates for skilled workers. The tendency is increasingly to work for agreement. Still, individuals conceive their function in at least two distinct ways. One type of appointed member, believing strongly in voluntary action on the part of both employers and workers, regards his function negatively, considering that he has done his job best when he does as little as possible. He accordingly confines his efforts to bringing the two sides together and resists participation by vote. The other approaches wage determination from the social point of view. He believes he has a positive social function to perform. Far from being satisfied with maintaining the *status quo*, preventing strikes, breaking a deadlock, or even abolishing sweating, he works to establish the "good society." This does not necessarily imply that he favors the workers for he may see as much harm in crippling an industry as in the undernourishment of its workers. It does mean that he considers himself and his two fellows to be active members of the Board representing the public, rather than as outsiders set there merely to adjudicate. Yet even he tends to recognize a two-fold duty of appointed members, one to assist inadequately organized industries to settle their differences to the advantage of the trade as a whole, the other to

raise the general standard of living by a democratic technique. Nor are these two duties necessarily incompatible. Such appointed members prefer persuasion to voting and work to create a social consciousness among the members representing industry and labor, though they will take the initiative when opportunity arises or necessity demands. Each and all of them value the opinion and advice of their colleagues because they feel that no one person should assume responsibility for casting a deciding vote in determining compulsory wage rates.

Between these two types are many appointed members who either construe their duties in less extreme terms or less clearly, yet who may possess that human quality which insures their success. Without the appointed members to cast a deciding vote in case of disagreement, the Trade Boards system would not work. Their very lack of technical knowledge has in fact proved an asset. Just as it has been found in most fields of activity that the practitioner is seldom able to envision the wider aspects of his occupation, though his technical knowledge is invaluable, so it has proved in Trade Board activity that philosophers, economists, sociologists, and others taking a broad view of life are on the whole best fitted to grasp the ultimate significance of a wage decision. When it seems advantageous to acquaint themselves with the technicalities of a trade, the appointed members sometimes seek first-hand information by visiting factories to see themselves how the various processes are performed. The unique confidence which appointed members have established among Trade Board representative members, even the complaints occasionally made by each side that the other side has been favored, and especially the long and severe test that Trade Boards have survived, prove that the appointed members have rendered a distinct

service to society in whatever fashion they may have interpreted their duty.

THE TIME ELEMENT

Clearly, fixing minimum rates by the democratic and intricate method just described consumes time. How much time is required depends upon the complexity of the industry, the existing degree of wage standardization, the kind of rates under discussion, and the ability of chairmen and leaders in the art of bargaining. Fortunately the Ministry is more concerned with satisfactory than with quick results and with industrial peace than saving money. If a Board happens to be particularly thorough or loquacious, as some Boards are, nobody "cracks down" on it with the remark that "time is money." In this respect as in many others still more subtle, a deep respect for the individual character and tempo of each particular Board is shown. This attitude has paid compound interest in the cooperation of industry and in industrial goodwill.

In pre-war years when new Boards were feeling their way carefully in the fixing of initial rates, days, even weeks, were taken up with discussion and bargaining. At least a year elapsed before initial rates became effective, including the objection period and time required for confirmation. Allowing in addition for the stipulated six months' period of limited operation, it was nearly two years after appointment of a Board before most of the minimum rates became obligatory. Then Trade Boards were an experiment; they were setting precedents. Besides, prices had not then acquired the mobility of later years. After the beginning of the War, more frequent adjustment of rates became necessary until the Munitions Tribunals took on that responsibility.

With the amending act of 1918, the period of "limited operation," by which it was required that rates should be in effect six months before becoming obligatory, was abandoned as unnecessary and unworkable. This provision only served to establish habits of non-compliance and made observance difficult for employers wishing to pay the Trade Boards rates. With this change, the objection period was also reduced from three to two months in an effort to speed up wage fixing. Manufacturers in 1914 complaining that they were unable to make advantageous long-time contracts owing to the instability of minimum wages, in 1921 objected because wage rates fell too slowly to keep up with unstable prices. The usual time consumed in fixing initial rates was then four to six months, from the date when a Board first met till the initial rates became effective. Ordinarily considerable headway was made during the first day of meeting, while the second day saw the proposals finished, if the first had not. And it was not uncommon in that period of tumbling prices for a Board to propose to vary a rate at the same meeting at which it was proposed.

All but two recent Trade Boards having long since determined their first set of minima and become adept in the technique, two or three hours now suffice for variation provided no especially knotty wage problem turns up. Frequency of meetings depends partly upon price movements, but also upon general policy. In the depression years 1930-34, for example, half of the Boards did not meet to vary rates either up or down, in spite of a continuous decline in prices. With returning prosperity in 1936 and 1937 four-fifths of the Boards met to increase rates. But, disregarding wage-fixing policies and in spite of certain time changes made by the act of 1918, both the fixing of initial rates and their variation

still take longer than our modern tempo justifies. This defect can easily be remedied by materially reducing the objection period as has been done in the Agricultural Wages (Regulation) Acts, and perhaps by curtailing the time allotted the Minister of Labour for confirmation.

CONSIDERATION OF OBJECTIONS

After a minimum rate has been voted, the next step is to issue a "notice of proposal" setting out the rates thus far determined and to publish it in the official *London Gazette* and the *Edinburgh Gazette* as well as in such trade or other publications as the Board may determine. A printed copy of the notice is also mailed to every firm on the official Trade Board list. During the subsequent two months, objections to making these proposed rates obligatory may be filed by any person, employer or worker, in the country. At the end of this objection period a Board reconsiders the proposed rates in the light of the objections which have been received. Though the final word as to what shall constitute a minimum wage rests entirely with the Board for a particular industry, the clause regarding objections provides a safeguard against hasty, unfair, or ill-considered action. It not only affords the trade an opportunity to seek to correct errors which might be made by a Board, but it virtually gives those members of a Board who are overruled a form of appeal to the trade from the decisions of the Board. In addition it furnishes a means by which employers, workers, or other members of the community who may think they are not adequately represented upon a Board may state their views on the question of minimum rates. No public hearings are required on the rates fixed by a Board, supposedly on the assumption that they are fully representative instruments of self-government

for the trade. The right to lodge objections, however, serves much the same purpose.

The number of objections varies greatly. One Trade Board recently received several hundred letters protesting that its proposed rates were too high in rural and especially the "depressed" areas where retail prices are relatively low. In a few other instances a mass of objections has also been lodged. But on the whole they are few and not very cogent. Though in the beginning objections were taken seriously, a tendency soon developed for organizations both of employers and of workers to use this method of giving weight to opinions already expressed at Board meetings. More or less stereotyped in form and words and unconvincingly general in content, objections frequently appeared to be instigated by one or two persons or organizations, rather than being the free expression of individual experience. In these circumstances the Boards naturally did not attach a very high value to them. An effort was made to render objections more effective through personal representations to the Minister in connection with confirmation of rates. For a time the Minister thus became a virtual court of appeal. But with the passage of years the game has lost its zest. Latterly, the number of inspired objections is relatively small, and so, increasingly, the objections provision serves to call the attention of a Board to some matter seriously requiring reconsideration. The number of objections lodged in connection with 75 per cent of the proposals to fix, vary, or cancel rates during the years 1936-38 was seven or less per order.

The objection period having expired and a Board having studied the objections, it is then faced with the choice either of fixing the rates already proposed or of revising them. The fact that alteration technically entails

a new notice of proposal and a further delay of at least two months, together with some uncertainty as to what the Minister's attitude towards changes will be, predisposes Boards to distinctly minor changes, if any. These difficulties can often be surmounted, however, by consultation between the Boards and the Ministry prior to actually altering rate "proposals." In order to avoid destruction of a potentially valuable precaution the Agricultural Wages (Regulation) Acts incorporate a clause stipulating that unless major alterations are made a new proposal is unnecessary. This suggests an advisable amendment to the Trade Boards Acts, though there still remains the question as to what is "major."

Before any set of minimum wage rates fixed by a Board becomes effective, however, it must be confirmed by the Minister of Labour. Since representatives of each trade are left to determine compulsory minimum rates which the government undertakes to enforce, confirmation by a responsible Cabinet Minister protects the people against anti-social action. The Minister is not empowered to say what the rates shall be, but he is authorized, within a period of one month, either to approve them or to refer them back to the Board for reconsideration. In practice, however, the Minister seldom refuses to sanction the decision of a Board.⁶

FIXING MINIMUM RATES

In fixing minima a Board's usual procedure is first to discharge its legal duty by prescribing a general minimum time-rate for men and for women. Having accomplished this, other differential rates taking into account differences in area, age, experience, or degree of skill may be determined if and when a Board con-

⁶ See pp. 205-9.

siders it advisable. In fixing both piece-rates and those for semi-skilled and skilled workers the appointed members take less part than with the basic minima, being usually of opinion that lack of technical knowledge limits their usefulness. In determining such rates rather more factual and less hearsay evidence is introduced, while bargaining tends to give way before custom and expediency. When proposing elaborate schedules of piece-rates, a committee composed of representatives from both sides and usually one appointed member is often deputed to make recommendations for the Board's consideration. If the committee does not agree, it may befall the appointed member on the committee to hold the balance, or he may choose to let the motion fall, in which case the matter comes before a meeting of the full Board for consideration. When a rate or set of rates is approved by the Minister, an order is issued making it compulsory on a specified date for all firms falling within the official definition of that trade.⁷

OTHER TRADE BOARD FUNCTIONS

In addition to the major function of prescribing minimum rates, varying and canceling them, the minor functions of the Trade Boards are: (1) granting permits of exemption from the minimum rates; (2) certifying apprentices; (3) certifying learners; (4) making recommendations on questions of scope; and (5) advising government departments on related industrial subjects. The first four of these are performed mainly by committees appointed by the Board for that purpose. Each Board has its administrative committee and usually a permit committee as well, though these may be combined. In

⁷ For a sample Trade Board wage order see App. A, pp. 342-49.

addition to such standing bodies, temporary committees are appointed from time to time to deal with special problems. Committees consist of one or more persons representing each side and usually one appointed member. In respect to the function of advising government departments, the Boards have been called upon relatively little in comparison with what the war experience prognosticated. In the realm of wage fixing, however, the Trade Boards have probably proved more effective than even immediate post-war hopes anticipated.

CHAPTER VI
THE AGRICULTURAL WAGES
COMMITTEES

In each of the three countries, Great Britain, New Zealand, and Australia, where national minimum wage legislation has long obtained, inclusion of agricultural workers has closely followed enactment of minimum wage laws covering industrial workers. That this has happened is largely due to the interaction between industrial and agricultural wages. Failure to coordinate agricultural and industrial wage rates tends to draw off the cream of the agricultural labor supply into the industrial field, as well as to accentuate business crises. To a considerable extent agricultural workers are the potential purchasers of the goods and services produced by those employed in industry. If agricultural wages are low, the purchasing power of agricultural workers is relatively low and so is the intake of manufacturing and other industrial undertakings. The wage level of industrial workers even when protected by minimum wage legislation is thus threatened unless the wage level of agricultural workers is similarly safeguarded. And conversely the prosperity of agriculture and consequently the level of agricultural wages depends largely upon the consuming capacity of the vast body of industrial employees.

In Great Britain, where the number of agricultural wage workers in proportion to the number of farmer proprietors is greater than in the United States and where human food production preponderates among agricultural pursuits, this mutual interdependence between

- 9 agricultural and industrial wages is particularly marked. Over a period of years the figures show a close correlation between agricultural prices and the purchasing power of urban wage-earners, prices rising when employment was good and wages increasing, and declining when unemployment was rife and wages falling. On this account it is even asserted that the future prosperity of British agriculture is directly linked with industrial well-being.¹ This close economic relationship between industrial and agricultural wages was doubtless a factor leading towards establishment of minimum-wage-fixing machinery to cover English agricultural workers in 1924 and its extension to include Scotch workers in 1937.

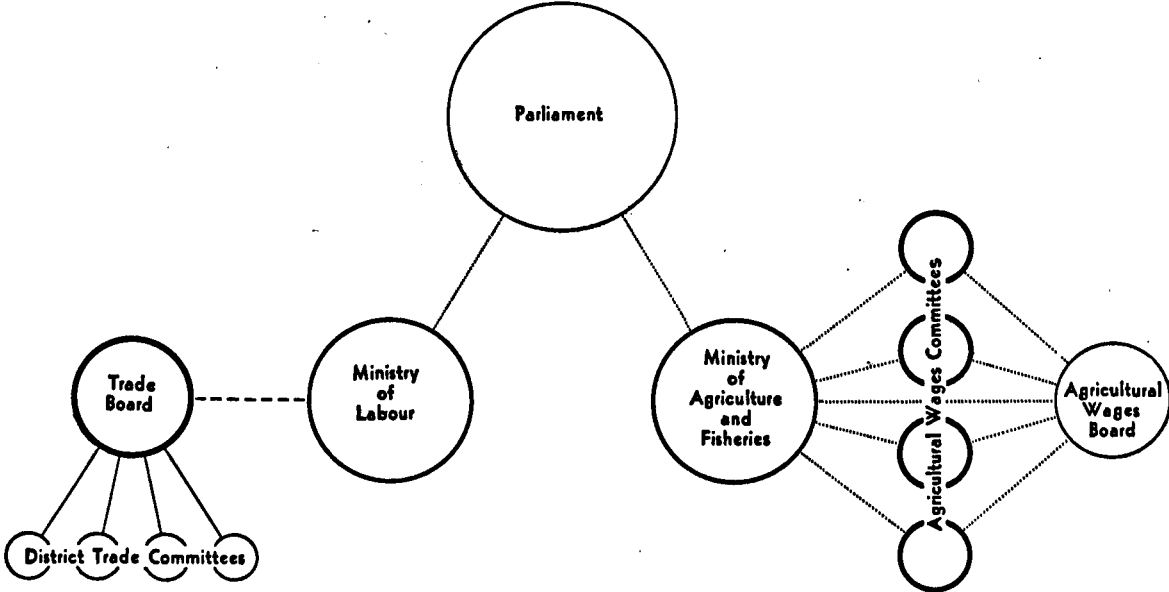
COMPARISON OF WAGE-FIXING MACHINERY IN
INDUSTRY AND AGRICULTURE

The essential difference between the existing agricultural and industrial wage-fixing machinery lies in the focus of rate-fixing responsibility. The machinery originally set up to prescribe minimum rates of wages for agricultural workers under the Corn Production Act of 1917 followed the pattern established by the Trade Boards Acts for determining minimum wages for industrial workers. But this centralized machinery did not prove entirely suited to the peculiarly local character of agriculture. In order to adapt the mechanism to this widely dispersed pursuit as well as to meet conflicting demands of opposing political parties, the Agricultural Wages Act of 1924 attempted to integrate two sets of extremes. The compulsory principle and the centralized framework of the Corn Production Act are therefore combined with the voluntary principle and the decentralized organization established by the Corn Production Act (Repeal) Act, 1921.²

¹ *The Round Table*, June 1938, pp. 467-79.

² See pp. 25-26, 34.

COMPARISON OF WAGE-FIXING MACHINERY FOR INDUSTRY AND FOR AGRICULTURE



Under the Corn Production Act a central representative board fixed compulsory minimum rates of wages for each county with the advice of local wages committees. But the local committees were purely advisory and the rates fixed by the central Board were subject to confirmation by the Minister of Agriculture before becoming obligatory. In sharp contrast with the centralized, compulsory arrangement, the Corn Production Act (Repeal) Act, 1921, provided for establishment of local committees with whom determination of minimum rates was entirely voluntary, at the same time stipulating that such rates when fixed might become compulsory if registered with the Minister of Agriculture. Under the Agricultural Wages Regulation Act of 1924, however, the final authority for fixing compulsory minimum rates is vested in autonomous local committees while a central Agricultural Wages Board performs the perfunctory task of issuing the orders giving statutory effect to the decisions of the local representative committees. The central Board possesses no power to revise or question such decisions unless they are *ultra vires*, nor has the Minister of Agriculture mandatory authority to confirm minimum rates before they become effective as he had under the Corn Production Act. The Minister may, however, direct a committee to reconsider any rates which it has determined and the committee is bound to reconsider, but is nevertheless free to adhere to the rate it had determined.

The chart on page 142 gives a graphic representation of the two types of wage-fixing machinery now in operation, one applying to industry and one to agriculture. In both types the respective Ministers are finally but indirectly responsible to Parliament for operation of the wage-fixing machinery as provided by the acts and as is

suggested by the dotted lines. The onus of determining exactly what those rates shall be is indicated by the heavy lines. Under the Trade Boards Acts this responsibility is focused in a Trade Board for each of certain selected industries, some of which have set up district advisory committees as authorized by the acts. When district committees have been set up by a Trade Board, they are subsidiary to the Board and the acts provide that they must be consulted, as is suggested by the continuous lines. Under the Agricultural Wages Acts, on the other hand, it is the local wages committees upon which the burden of final rate-fixing responsibility rests. The central Agricultural Wages Board is a perfunctory body only remotely connected with either the Ministry or the Committees as is again indicated by the shaded and dotted lines as well as by its position in the chart.

From the angle both of administration and of democratic procedure this difference in focus has significant results. Decentralized determination of minimum rates by a large number of committees makes some kind of coordination necessary. It was originally thought that the Agricultural Wages Board might perform that function by acting as a sort of clearing house to which both the county Committees and the Minister of Agriculture could voluntarily turn for advice on questions of labor, wages, and general policy. In practice, however, this has not occurred. And as a result wide variations exist between the orders of different Committees, sometimes even between those applying to adjacent counties. When farmers living in different counties compete in the same market, those living in some counties may thus sell at a considerable advantage over those living in other counties if marked wage differentials exist. Under the Trade Board system such a situation seldom if ever occurs since

regional differentials are confined to isolated areas or to industries where the market is, by the nature of the product or service offered for sale, a local one.

In order to obtain basic uniformity of action in spite of the large degree of autonomy accorded the Committees the act is also more specific in other respects, such as that of definition, than are the Trade Boards Acts or than is customary in connection with British social legislation. The statutory rules and orders issued by the Minister to govern the procedure of the Committees likewise include considerable detail.

A high degree of local autonomy, combined with the relative inexperience of farmers and farm workers in collective bargaining, also rendered certain safeguards to democratic and effective operation of these Committees imperative. This protection has been supplied by provisions of the act designed to offset default should it occur in connection with nomination of Committee members, selection of chairmen, or failure to determine minimum rates within a stated period.

COVERAGE OF THE AGRICULTURAL WAGES ACTS

Accepting the acts as covering the whole of what is ordinarily considered agriculture, about 740,000 workers, 110,000 of whom are Scottish, fell within the purview of the two Agricultural Wages Acts in 1937. Less than 15 per cent of all agricultural workers are women,³ as compared with approximately 70 per cent of the workers included under the Trade Boards Acts. Of the 644,000 male workers employed in agriculture, about 75,000 are casual workers and nearly 125,000 are under 21 years of age.⁴

³ Preliminary figures issued by the Ministry of Agriculture and Fisheries, *Ministry of Labour Gazette*, September 1938, p. 343.

⁴ The same.

COMPOSITION AND ORGANIZATION OF THE
AGRICULTURAL WAGES COMMITTEES

Altogether 58 local Agricultural Wages Committees have been established under these two acts, 47 for England and Wales and 11 for Scotland. According to the revised regulations for England and Wales, representative members for the employers are nominated by the Council of the National Farmers' Union and for the workers by the Executive Committee of the National Union of Agricultural Workers and the General Executive Council of the Transport and General Workers' Union in proportions in which such members have heretofore been nominated by agreement.⁵ By the original regulations it was provided that in case these committees failed to agree upon the proportion within fourteen days of the date of the regulations, the proportion should be determined by the Minister of Agriculture. Should any of these bodies at any time fail to nominate representatives, the Minister is authorized to make the appointments without nomination. Arrangement for nomination of all representative members is probably intended to insure that wages shall be prescribed by persons actually engaged in agriculture as well as to encourage organization on both sides. Again, this represents a minor departure from the Trade Board practice by which members are on occasion selected by the Minister to represent unorganized workers.

The term of office for representative members of the Agricultural Wages Committees in England is three years, a certain proportion retiring annually in order to preserve the continuity of each Committee. It is specifically provided in the regulations, however, that any

⁵ The proportion of representative members from each workers' union was determined by the unions concerned when the act went into effect.

member failing, without reasonable excuse, to attend one-half of the meetings during any year, or giving other evidence of unfitness for membership, may be removed by the person or body responsible for his selection.⁶ Members retiring in the ordinary way at the end of their term are eligible for renomination and appointment. In 1936-37 the total number of persons, including the chairmen and impartial members, belonging to the English Agricultural Wages Committees was 771.⁷

The two impartial members, like the representative members, are chosen by the Minister, customarily from among residents of the county, their term of office being two instead of three years. Selection of appointed members constitutes one of the Minister's most onerous duties in connection with the act.⁸ It is always difficult to find persons generally regarded as impartial, but it is particularly so within the confines of one county. Moreover, the criticism to which appointed members may be subjected as a result of the bitterness sometimes existing in the Agricultural Wages Committees may tend to prevent able individuals from consenting or continuing to act. Perhaps growing out of the traditional individualism of farm communities, exaggerated by the relatively low wages of farm as compared with industrial workers and the extremely difficult economic position of agriculture since the War, if not influenced by the old feudal landlord psychology, minimum wage rates are less frequently fixed by agreement of the two sides of the Agricultural Committees than of the Trade Boards. The appointed members, being thus forced to cast a deciding

⁶ Statutory Rules and Orders, 1924, No. 1123, secs. 3, 4.

⁷ Ministry of Agriculture and Fisheries, *Report of Proceedings under the Agricultural Wages (Regulation) Act, 1924, for the Year Ended 30 September 1937*, p. 11. (Hereafter called Agricultural Wages Report.)

⁸ Agricultural Wages Report, 1931, p. 9.

vote, often after acrimonious discussion, more frequently come under fire of the losing side. In these circumstances persons serving as impartial members do so as a public service at the risk of some personal sacrifice.

The first schedule to the act of 1924 provides that the chairmen of the Agricultural Committees shall be appointed by a vote of the members on each Committee, no representative member being eligible for the chairmanship. As the regulations stand, the Minister is authorized to perform this function only in cases where a Committee fails to choose a chairman within twenty-eight days of its establishment.⁹ Although a certain amount of difficulty has from time to time occurred between the employers' and the workers' representatives in arriving at agreement on the person to be elected as chairman, no case has occurred since the early days of the act in which the Ministry was called upon to make the appointment in default of the Committee.

✓ THE AGRICULTURAL WAGES BOARD

The central Agricultural Wages Board has five appointed members, including a chairman designated by the Minister, and 16 other members, one-half representing each side, the total membership thus being 21. Though this body may originally have been expected to act as a pivot upon which the rest of the machinery should turn, the only two powers given it by the act are: to issue the orders required for making the decisions of the local Committees effective and to determine the minimum rates of wages in default of a Committee or, upon formal request of a Committee, to fix, vary, or cancel a minimum rate. Since default on the part of the Agricultural Wages Committees is extremely rare, the

⁹ Statutory Rules and Orders, 1924, No. 1123, sec. 2.

function of the Agricultural Wages Board in practice boils down to the single routine duty of issuing orders.

FUNCTION AND POLICY OF THE MINISTER OF
AGRICULTURE

In addition to appointing the members of the local Agricultural Wages Committees and the Agricultural Wages Board, the Minister of Agriculture and Fisheries is empowered to appoint a secretary for each of these bodies and such other officers as are required for investigating complaints and securing observance of the acts. The Minister also makes the regulations respecting proceedings and meetings of the Committees, the Wages Board, and their sub-committees. As a guide for the Committees a circular has been issued explaining their duties and powers and outlining the general procedure under the act. In addition, it is customary for the Ministry to provide legal and administrative advice to the Committees. When the Committees first began their work this was particularly helpful in order to insure that they kept within the scope of the act and that their orders were worded in enforceable language. Although providing help of an informational and technical nature, the Ministry of Agriculture has consistently and strictly adhered to the policy of government non-interference stated in the circular mentioned above as follows:

The Ministry will advise Committees as to the wording of documents such as proposals to fix rates, draft Orders, etc., so as to ensure as far as possible that they are in a legal form, but it will not under any circumstances advise or give any indication to Committees as to rates of wages, hours of work, or other similar points which are matters entirely within the discretion of Committees.¹⁰

¹⁰ Agricultural Wages Report, 1925, p. 5.

Concerning his power to request a reconsideration of a rate or a set of rates which has been proposed or fixed by a Committee, the Minister has again very definitely stated and adhered to a similar policy. The Minister considers it not properly his function to request a reconsideration of a rate as a means of criticizing the decision of a Committee since the Committees were intended to determine rates in accordance with the varying conditions of different localities. Such action in the Minister's view can only be justified if, for example, new circumstances should arise after a Committee had fixed a rate and the Committee had not had an opportunity of revising its earlier decision. The use of this power as a means of criticism would, in the Ministry's opinion, introduce a factor seriously prejudicing successful operation of the act.¹¹ Though frequently requested in the early days of the act by one party or the other to intercede in this manner, the Minister has taken such action in only one case.¹² On that occasion the Committee requested to reconsider the rate held to its original decision.

Since the definition of "agriculture" contained in the acts lacks precision, the Minister is from time to time called upon for administrative purposes to decide whether a particular worker falls within the scope of the act. Such decisions carry no final authority, however, as they eventually hinge upon the interpretation of a court. Pending a court ruling on the scope of the act an unauthoritative formula given on request of the Minister of Labour in 1928 by Mr. Justice Roche of the High Court when ruling on a case under the Unemployment Insurance Act has served as a guide, though it

¹¹ The same, 1934, p. 8.

¹² The same, 1931, p. 8.

is subject to correction and modification. The formula follows:

Persons are employed in agriculture and horticulture when employed upon any operations done about the production, preparation or transfer of the products of farm or garden or orchard in the best saleable condition to a first buyer or to a salesman or agent for sale if one be employed, or to a distinct business under one proprietorship as in Daniels' case. But, if the industrial status and occupations of the employed persons are such that though they are working about or in connection with a farm or garden or orchard they may properly be said to be essentially pursuing their own special occupations, they are not employed in agriculture or horticulture within the meaning of this rule.¹³

A second legal ruling has proved helpful in drawing the dividing line between the field of application of the Agricultural Wages Act, which includes dairy farming, and the Milk Distributive Trade Board. In this case it was made clear that "the disposal of milk in bulk from the farm on which it is produced, i.e., the wholesale transport of milk from a farm, is purely agricultural work, and that consequently workers engaged in such duties are included under the Agricultural Wages Act. If, however, the farmer engages in retailing milk to customers in the local villages or towns, the question becomes complicated by the fact that the employment of workers in the milk distributive trade is subject to the Orders made under the Trade Boards Acts, 1909 and 1918."¹⁴ To fit in with this ruling the Ministry of Labour has altered the description of the milk distributive trade.

By the terms of the act of 1924 the Minister of Agriculture is also required to make an annual report, is responsible for expenditures in connection with the act,

¹³ The same, 1928, p. 18.

¹⁴ The same.

and enforces the legal minimum rates. Of these duties the latter is continuous and consumes a considerable part of the Ministry's time in relation to the acts. Enforcement of the agricultural minimum rates is further considered in Chapter VIII. The annual *Report of Proceedings under the Agricultural Wages (Regulation) Act, 1924* is an admirable publication containing a wealth of facts and figures pertaining to the operation of minimum wage legislation in agriculture. Though not required by law to make a report, the Trade Boards division of the Ministry of Labour could well emulate this publication.

With regard to expenditures, it is interesting to note that the annual outlay in connection with the English act has never exceeded 63 per cent of the £70,000 stipulated as a maximum.¹⁵ The largest sum spent in any one year to date was £43,900 covering the twelve months ending September 30, 1931. This amount includes all expenditures involved in operation of the 47 local Committees and the central Board including salaries and fees, traveling expenses, advertisements, printing, stationery, postage, and also the actual cost of accommodations provided for the staff both at the Ministry's headquarters and for the local secretaries. For the year ending September 30, 1937 the total expenditure was £43,752. On this basis the annual cost of insuring a fair minimum wage to farm workers in England and Wales costs the people roughly \$4,530 per county or slightly under 35 cents per worker covered.

OPERATION OF THE AGRICULTURAL WAGES COMMITTEES

The meetings of the Agricultural Wages Committees are convened by written notice of the secretary at the

¹⁵ Sec. 11, 1924.

direction of the chairman or on requisition for convening a meeting signed by five members of the Committee. In general the Committees function in the same manner as the Trade Boards, minimum rates being determined by higgling back and forth in the fashion of collective bargaining.

Duties. The primary duty of the Agricultural Wages Committees is to determine minimum time-rates of wages for all agricultural workers in each of the various counties. Besides this mandatory power, the Committees have permissive power to fix minimum piece-rates, as well as the right to order payment of arrears in the case of pieceworkers complaining under section 4 of the act. To date, however, no Committee has undertaken determination of piece-rates. And relatively few cases of complaint have come before them. Special weekly time-rates, higher than those for "ordinary"¹⁶ adult agricultural workers, have been established by about half of the Committees. These include horsemen, cowmen, stockmen, shepherds, foresters, and harvesters. These special rates represent an increment to cover longer hours or casual work rather than an increased rate in recognition of greater skill. Separate rates are customarily set for male and female workers and for each area for which a Committee exists. The wage provisions prescribed by the different counties are somewhat widely diversified, though the Agricultural Wages Committees do not fix such a variety of rates as the Trade Boards.¹⁷

Wage schedules are first proposed, then fixed after a

¹⁶ The term "ordinary agricultural worker" as used by the Committees denotes adult male workers entitled to the normal minimum wages. It excludes youths, female workers, workers having exemptions for whom lower minima are prescribed, and also special classes of workers for whom higher rates have been fixed.

¹⁷ For a sample Agricultural Committee wage order see App. A, pp. 350-52.

stated objection period in the same way as with the Trade Boards. But the orders of Agricultural Wages Committees usually apply for a definite period of twelve months or less rather than indefinitely, as is the case with Trade Board orders. This does not preclude altering the orders before their expiration. Definite terminal dates do mean, however, that most of the Agricultural Wages Committees review their determinations at least annually, though they may decide to prescribe the same rates for another year. The notices setting out the legal minima are exhibited in the post offices, employment exchanges, and in the police notice boards of the county where they apply.

Wage rates. The average weekly minimum wage for ordinary adult male workers fixed by the forty-seven Committees for England and Wales was 33s. 4d. on September 30, 1937.¹⁸ This average represents only a small margin over the 30s. weekly benefit to which a male agricultural worker with wife and three children is entitled under the Unemployment Insurance (Agriculture) Act, 1936. And it is considerably lower than the 42s. 11d. which represents a "human needs" standard of comfort in a rural community as estimated by B. Seebohm Rowntree¹⁹ and adjusted to 1937 prices.

Unlike the Trade Boards, the Agricultural Wages Committees are in practice chiefly concerned with determination of minima for male workers. Only a comparatively small proportion of the women employed in agriculture are whole-time regular workers in the industry. Of those working full time, many are largely engaged in domestic duties and are occupied with farm work such as dairying, poultry raising, or horticulture

¹⁸ Agricultural Wages Report, 1937, p. 3.

¹⁹ See chart, p. 284.

during a minor portion of their time only. And large numbers of women are employed for a few weeks or months every year on various seasonal occupations such as picking fruit, vegetables, and hops. A good deal of this work is performed by the wives or daughters of male farm workers and is looked upon merely as the source of additional income. It is largely unskilled. Though there is a shortage of skilled farm labor, among unskilled workers such is not the case. The character of the work together with an oversupply of workers may account for the relative infrequency with which female rates are varied and the fact that females are not in as good a position as males with regard to hours and holidays. The rates payable to females are in most areas fixed on an hourly basis varying from 5d. to 7d. per hour.

Hours of work. In connection with determination of wage rates the Committees have also dealt with hours, with holidays, with benefits and advantages, and with permits of exemption. The average hours per week for which ordinary male workers received the weekly minimum rate in the different counties during 1937 were 50 in winter and 52 in summer.²⁰ The problem of regulating both hours and holidays for farm workers has been met by prescribing higher wage rates for hours in excess of a stated number as well as on certain days. In line with the instructions contained in the act²¹ that a weekly half-holiday should be secured to all workers so far as is "reasonably practicable," a weekly half-holiday is allowed to male workers in all but two counties.

This is done by defining employment on Saturday afternoon or on another afternoon in each week as over-

²⁰ Agricultural Wages Report, 1937, p. 4.

²¹ Sec. 2(2), 1924.

time. Overtime is defined by 28 Committees as employment in excess of a particular number of hours; in 11 cases as employment after a particular time of day; and in 6 cases as employment after a definite number of hours of work and, in any case, after a specified time of day. Only 24 of the 32 Committees fixing overtime rates for females have also provided for a half-holiday. Work on specified public holidays is paid at overtime rates in all but 5 of the 47 districts, the number of such holidays ranging from 1 to 7. Of the 42 Committees making such arrangements all but 8 have provided that in the weeks in which a holiday falls, the number of hours which a worker can be required to work for the weekly minimum wage shall be reduced by the time which would otherwise have been worked on the public holiday. In this way a worker receives a holiday on full pay without being required to make up the time, and if he does have to work on the holiday, he is entitled to receive overtime rates for all time worked on that day.

↳ *Payment in kind.* On account of the long-standing custom of paying agricultural workers at least partly in kind, the regulations require Committees to decide what, if any, benefits or advantages, such as board and lodging, use of a cottage, milk, potatoes, grazing land, coal, wood, or oil, manure, etc., may be reckoned as part-payment of wages instead of cash, and to evaluate such benefits. This provision is a great boon to agricultural workers since it renders the whole matter definite, also making it clear to what cash wages in addition to benefits they are entitled. The courts have further stabilized what previous to the act was a very uncertain position by making it clear in several cases that only those benefits specifically defined by a Committee may be counted as part of the

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minimum wage payment.²² Every Committee has allowed certain advantages of this type.

Permits of exemption. Local Committees also grant permits of exemption to pay less than the minimum rate to physically or mentally disabled workers. For this purpose four classifications are made as follows: (1) mental deficiency; (2) physical injury; (3) infirmity due to age; (4) infirmity due to other causes. The total number of permits in force in 1937 was 8,664 as compared with 2,487 issued by the same number of Trade Boards covering nearly twice as many workers.

**ANALYSIS OF PERMITS OF EXEMPTION IN OPERATION ON
SEPTEMBER 30, 1937^a**

Grounds on Which Granted	Years of Age					Totals
	Under 18	18-30	30-65	65-70	Over 70	
Mental deficiency						
Males	74	760	1,007	15	6	1,862
Females	1	—	4	—	—	5
Physical injury						
Males	25	415	831	134	28	1,433
Females	—	—	—	—	—	—
Infirmity due to age						
Males	—	—	151	882	1,554	2,587
Females	—	—	1	1	2	4
Infirmity due to other causes						
Males	106	866	1,380	321	97	2,770
Females	—	1	2	—	—	3
Totals	206	2,042	3,376	1,353	1,687	8,664

^a Agricultural Wages Report, 1937, p. 58.

The provisions of the Agricultural Wages (Regulation) Act allow more leeway in this matter than do the Trade Boards Acts, for in certain respects, such as less use of machinery and less necessity for speed, agriculture is better adapted to employment of incapacitated persons than most industries. But it is also true that the customary disparity between agricultural and industrial

²² The first case of this type is mentioned in the Agricultural Wages Report, 1926, p. 24.

wages tends towards drawing the able-bodied men away from farm occupations, leaving a disproportionate residue of the aged and incapacitated. One of the chief difficulties connected with exemptions is that the employers often do not take the trouble to apply for a permit for a worker whom they regard as obviously deficient. In all cases it is important that applications for permits are submitted to the appropriate Agricultural Wages Committee in order that an official determination of the workers' real capacity in relation to the minimum wage can be made. The table on page 157 shows how permits were distributed in 1937.

GENERAL RESULTS OF THE AGRICULTURAL WAGES ACT, 1924

From the administrative standpoint the Agricultural Wages (Regulation) Act, 1924, is considered distinctly successful. In view of the almost complete collapse of voluntary wage regulation after repeal of the Corn Production Act in 1921 and the impoverished economic position of agriculture during the past fifteen years, it is regarded as a favorable indication that the system has never broken down and that it has rarely become necessary to bring the default provisions into operation. That the act has been kept continuously in operation despite a difficult beginning and intervening depression is ascribed largely to the skillful work of the chairmen and other impartial members of the Agricultural Wages Committees. In making the terms of the act known and bringing the particulars of changes in the provisions of local orders to the attention of farmers and farm workers, the organizations of agricultural employers and agricultural workers have also given valuable assistance.

Representatives of the best employers acknowledge that the minimum rates are none too high in relation to

both the kind of work done and the wages paid in other industries for comparable work. On the other hand the typical English farmer rather tenaciously resists the idea and the fact of government interference with his affairs, however reasonable or beneficial he may find its results. Moreover, agricultural employers often urge that the industry is not in a position to pay the rates of wages fixed under statute and think the state should place the farmer in a better position to pay such wages. The question as to whether employers are or are not in a position to pay the minimum rates of wages is obviously a contentious one. To some extent this source of dissatisfaction has been allayed in the last four years, however, by a 25 per cent increase in agricultural prices. This increase is at least in part due to the preferential treatment accorded to agriculture through regulation of imports by means of tariffs and quotas; through marketing reorganization under which the prices of certain products including milk and bacon and sugar beets have been controlled; and through government subsidies in connection with the production of wheat, oats, barley, fat cattle, pigs, and milk, the purchase of fertilizers, and the prevention of disease, amounting altogether to something less than 40 million pounds a year.²³

On their side, the workers express disappointment that minimum wage rates have not risen higher and faster. They recognize that wages are nearly double their pre-war level but emphasize the fact that they still fall far below both the rural and urban requirements for comfortable living (see chart, pp. 283-84). Though the workers appreciate the present difficult position of agriculture, they consider that in most districts, wages remain lower than such conditions warrant. They are

²³ *The Round Table*, June 1938, p. 461.

inclined to complain of the failure to coordinate the wage rates between adjoining counties and to feel that the independent members on a Committee too often favor the farmers. In some quarters regret is expressed that a flat minimum below which wages shall not fall is not incorporated in this act as was done in the defunct Corn Production Act. There is also dissatisfaction with the enforcement of minimum rates in agriculture. This dissatisfaction was sufficiently strong in 1937 to elicit a resolution from the Trades Union Congress expressing surprise and concern that such large numbers of violations still occurred and calling upon the government to secure more adequate inspection and enforcement.

Yet it is doubtful whether either the employers or the workers would go so far as to seek repeal of the act, certainly not the workers unless a more centralized system were to replace it. For the facts remain despite complaints that the real wages of male agricultural workers do show an increase of some 35 per cent over the level of 1924 when the Agricultural Wages Act came into effect; that average weekly hours have declined during this period; that the majority of farm workers now enjoy a weekly half-holiday and additional pay for overtime which in all probability they formerly did not; and that the conditions of their working lives involving such matters as the exact value of benefits as well as hours and wages have become so standardized under the aegis of the local wages Committees as to result in a considerably greater degree of personal security and freedom. Organization of workers and employers has moreover received encouragement in spite of adverse economic conditions. And industrial peace has at the same time been encouraged, though the act imposes no restrictions upon strikes.

More significant perhaps than any testimony with regard to the working of the act that can be brought to bear is the extension of its provisions to Scotland in 1937 after a trial of thirteen years in England and Wales. The report of the committee appointed in 1936 to make recommendations in relation to the condition of agricultural workers in Scotland, where the system of voluntary agreements established under the Corn Production Repeal Act, 1921, remained in operation up to the time of the report, has the following to say in comparing the conditions of agricultural workers in these two parts of Great Britain.

The collapse of this system of voluntary collective agreements placed the workers over most of the countryside [Scotland] in the position of having to rely upon their own individual power of bargaining. We have demonstrated already that this power has been severely restricted by such factors as the hiring system, the housing shortage and the surplus of labour. These considerations rendered it difficult for the worker to offer effective resistance to the series of reductions in wages which, as we have shown, have taken place since 1930.

In contrast to the position in Scotland, we are informed that for the four years prior to June 1930, during which prices of agricultural produce were for the most part falling, the minimum rates of wages fixed by Agricultural Wages Committees in England and Wales had been practically stationary. . . .

It is obvious that owing to the existence of statutory regulation the worker in England has been protected from the severe fall in wages which his fellow-worker has suffered in Scotland, and as an example of the measure of this protection it was pointed out to us that there is at present a difference of from four to seven shillings in the total weekly remuneration of married ploughmen engaged in comparable work in neighbouring counties situated on opposite sides of the border.²⁴

²⁴ *Report of the Committee on Farm Workers in Scotland, 1936*, Cmd. 5217, pp. 28-29.

On the strength of this comparison similar legislation was recommended for Scotland. Passage of the Agricultural Wages (Regulation) (Scotland) Act in 1937 appears to give basis to the conclusion that the existing minimum wage machinery has proved sufficiently effective to warrant its extension, irrespective of some criticism from both sides.

CHAPTER VII

DETERMINING DIFFERENTIAL MINIMA

On account of the peculiarly local character of the pursuits to which they apply, both the Wages Committees operating under the Agricultural Wages (Regulation) Acts, 1924 and 1937, and the Joint District Boards set up under the Coal Mines (Minimum Wage) Act, 1912, determine minimum rates on a strictly local basis. The jurisdiction of the Trade Boards, on the other hand, is usually the whole of Great Britain and the minima fixed by the Boards, therefore, apply throughout England, Scotland, and Wales. Separate Boards have been established for Scotland in 5¹ of the Trade Board industries, and Scottish Boards will soon be set up for both the baking and the rubber manufacturing industries, which have recently been brought under the acts.² Three of the industries for which Scottish Boards have been established are classified as "making up" and 1 as distributive. Of the 49 British Trade Boards, 4 have set up district trade committees to meet the problem of geographic variations.³ But only one, the Retail Tail-

¹ Dressmaking and women's light clothing; hat, cap and millinery; retail bespoke tailoring; milk distributive; aerated waters.

² The original act specified (sec. 2, 1909) that when a Trade Board was set up for any industry extensively carried on in Ireland, a separate Board should be established to cover that country. Prior to 1923 there were nineteen such Irish Boards. But with formation of the Irish Free State they no longer come within British administrative control. By the provisions of An Act to Consolidate and Amend the Law Relating to Trade Boards in Northern Ireland, 1923 (13 and 14 Geo. 5, Chap. 32) the several Boards now functioning in Northern Ireland come within the purview of the Minister of Labour for Northern Ireland.

³ Boot and Shoe Repairing; Made-up Textiles; Retail Bespoke Tailoring (England and Wales); and Baking (England and Wales).

oring Board (England and Wales), has yet established differentials.⁴ All the other Trade Boards include special rates for special areas in their regular orders when for some reason such differentiations are considered advisable.

Though only a few of the Trade Boards have made regional differentiations, nearly every Board has prescribed differential rates of some character. These are based upon sex, age, occupation, product, population, cost of living, conditions of work, or the general capacity of the worker. In addition to regional differentials, the Agricultural Wages Committees and the Joint District Boards under the Coal Mines (Minimum Wage) Act have recognized similar bases for further differentiation. The principle of differentiation in connection with determination of minimum rates is therefore well established. The principle of a flat national minimum on the other hand has never gathered much support, though it was advocated by a minority group in the Labour party when the campaign for minimum wage legislation was in progress, and since that time an occasional voice has been heard in support of it.

REGIONAL DIFFERENTIALS

Of the 45 Trade Boards having no district trade committees, 11 have fixed differential rates for one or more special areas.⁵ Six of the 11 belong to the retail

⁴ The word "differential" rate as employed in this chapter means a time-rate which deviates from the norm, in this case the lowest general minimum time for experienced adult female workers. The rate for females is taken as the norm because approximately 70 per cent of the workers covered by Trade Boards are women.

⁵ Aerated Waters (Scotland); Cotton Waste Reclamation; Dressmaking (England and Wales); Dressmaking (Scotland); Hat, Cap, and Millinery (Scotland); Jute; Laundry; Milk Distributive (England and Wales); Ready-made and Wholesale Bespoke Tailoring; Retail Bespoke Tailoring (Scotland); Tobacco.

making-up, service, or distributive trades serving local markets. And five may be classed as manufacturing industries with a national or foreign market.

The basis of differentiation employed by 5 of the 6 trades with a local market is population, from 2 to 5 areas being defined in this manner and the general minimum time-rates being graded accordingly. For example, the Milk Distributive (England and Wales) Trade Board fixes minima for London, minima for towns with a population of 10,000 and over, and still other rates for areas with less than 10,000 population. The Laundry Trade Board, however, departs from this pattern, specifying only two areas where rates lower than the general minimum time-rate shall prevail. One of these is the north of Scotland (including the Orkney and Shetland Islands) where wage standards tend to be lower than in most other parts of Great Britain; the second is Cornwall, which is situated in the south of England, another low-wage area, and which has for a number of years been adversely affected by the collapse of its chief industry, tin mining.

Among the five manufacturing industries various bases of differentiation are used. Like the Laundry Trade Board, the Scottish Board for aerated waters, or "soda pop" manufacturing, prescribes a somewhat lower rate for the Orkney and Shetland Islands, where living is geared to a materially lower income standard and where a damp and chilly climate prohibits much use of such products. The Cotton Waste Reclamation Trade Board fixes only one differential rate, applying to adult female workers in Scotland, which amounts to just one farthing (or $\frac{1}{2}$ cent) per hour less than the rate for England and Wales. Regional differentiations in the jute industry do not affect the general minimum

time-rates since they apply to one special area where a single occupation, hessian weaving, is carried on. Differentials fixed by the Ready-Made Tailoring Trade Board apply to two highly skilled occupations in the London Metropolitan Police district only. The Tobacco Board fixes a single differential covering apprentices to cigar sorting and bundling in the London district. In each of the areas where differentials have been fixed, the basis of differentiation is the purchasing power of the community, the state of the trade, or the class of trade prevailing in that area, rather than the cost of living.

District Trade Committees

In order to give the Boards ample opportunity to take account of local differences, the principal act^a accords them discretionary power to set up as many "district trade committees" as a Board may see fit. Such committees must consist of employers and workers in equal numbers, part of whom belong to the parent Trade Board and part of whom are local employers and workers not members of the Board, and at least one appointed member belonging to that Trade Board. If a considerable proportion of homeworkers is employed in the district in that trade they, too, must be among those represented upon the committee. Each district trade committee has a standing subcommittee to consider complaints and applications for special minimum piece-rates. Otherwise the regulations are made by the Minister of Labour for the areas defined by the Trade Board. In addition to drawing boundaries of the districts for which committees are to be set up, each Trade Board recommends the number and names of persons belonging to the Board who shall be members of each committee and

^a Sec. 12, 1909.

the method by which non-Board members shall be selected.

One of the most difficult tasks connected with establishment of these committees is division of the country into suitable areas. Each district must be sufficiently homogeneous but also sufficiently different from other districts to warrant separate consideration of minimum rates. At the same time arbitrary lines should not be drawn which might become the source of gross inequalities or future disputes. Nor should the number of districts be large enough to clog administration or dislocate trade. Of the four Trade Boards now having district committees one has 14⁷ districts, another 12,⁸ a third 9,⁹ and the fourth only 1, which is Scotland.¹⁰

The number of members belonging to the district committees varies in each trade. The largest district committees now existing are those appointed for the boot and shoe repairing trade. These average thirteen members each. To its district committees a Trade Board may refer any matter whatever for report and recommendation. It may also delegate any of its duties to these committees other than the power to determine minimum time- or piece-rates. Aside from the granting of exemptions to infirm workers very few matters have ever been delegated to the trade committees. Though the powers of district committees are purely advisory in the matter of determining minimum rates, that advice cannot be ignored once the advisory machinery has been set in motion. Even though it be certain before voting occurs that the proposed rates will be approved, no Board can fix,

⁷ Retail Tailoring (England and Wales).

⁸ Boot and Shoe Repairing.

⁹ Baking Board (England and Wales), which was established in May

1938.

¹⁰ Made-up Textiles.

vary, or cancel general minimum time- or piece-rates without a recommendation from each of its district committees. Other minimum rates need not be referred to them.

Four of the eight early Boards immediately took advantage of their power to establish district committees, the exceptions being highly localized trades, namely, chain making, machine-made lace finishing, tin box, and hollow-ware. But only five of the Boards set up since 1918 have established such committees.¹¹ Since the act of 1909 said nothing specific about dissolving these committees either by the Minister of Labour or by the parent Board, it was interpreted to mean that short of reorganizing the Board originating them, the district committees could not be dissolved. In 1930, however, the Trade Board regulations were amended to enable a Board to abolish its district committees by resolution.¹² Immediately three Boards took advantage of this new ruling, several others having previously dissolved their committees by the more circuitous route. Since 1930 only three Boards have continued their local committees, these on account of peculiar local conditions. Three of the first four Trade Boards to set up district trade committees have dissolved them.

✓ On the whole, experience with district trade committees has not proved very satisfactory. This is due chiefly to the cumbersome statutory requirements regarding their formation and operation and to the rela-

¹¹ The Road Haulage Wages Act passed in July 1938 provides for eleven Area Boards which correspond to the district trade committees set up under the Trade Boards Acts. Proposed plans for similar legislation covering the distributive trades call for a series of committees for each branch of the distributive group of trades which are not in effect greatly dissimilar to the district committees. These industries are either distributive or service trades.

¹² *Ministry of Labour Report*, 1930, p. 92.

tive infrequency with which it is found advisable to fix differential rates on a strictly geographic basis. The act requires that such committees once established shall be consulted. If they are consulted before a Board proposes minimum rates, local variations are apt to be exaggerated with the result that as many different sets of rates are recommended as there are committees. The Board must then consider and integrate these. If, as has been the custom in order to avoid undue delay, the committees are consulted after a Trade Board with its representative members has thrashed out the rate problem, another set of difficulties arises. The power of these committees being purely advisory and Trade Board leaders comprising a part of the membership of each, the inclination is to re-hash the original Board discussion in each of the district committee meetings. On a vote, therefore, it is more than likely either that the proposed rates will be perfunctorily approved, or that the workers will pass a resolution representing one point of view while the employers will favor another following the lines of previous action by the full Trade Board. Even when local variations are voted, the differentials have usually been so narrow as to be unimportant except in a few of the making-up trades catering to a strictly local market.

Under these conditions the cost both in time and in money has usually been quite disproportionate to any service the district committees could render. The most important contribution they have made has been to bring the purpose and work of the Trade Boards to the attention of workers and employers and to explain it for them. When Trade Boards were new, this constituted an important service, but with the passage of time it has become less so. At any rate, less expensive and equally effective methods of achieving this end have been found.

Thirty years ago workers usually opposed local differentiations and therefore district trade committees, while employers took the contrary position. But long experience has brought employers increasingly to the workers' view regarding the committees, while the workers have come to see the advantage of reasonable local variations in wage rates for certain trades. Speaking in 1922 as the chairman of five Trade Boards, several of which fixed regional differentials by means of district committees,¹⁸ Professor L. T. Hobhouse described them as "futile" and "lifeless." This statement accurately expresses the majority opinion of those who have had experience with district trade committees in the past.

The district trade committees set up under the Retail Bespoke Tailoring Trade Board represent an exception to these general statements, however. These committees have really settled the differential district rates in that trade. The committees recently set up under the Baking Trade Board, which also covers an industry having a local market, are functioning in a similarly effective way. And in the nature of the case the area boards established under the new Road Haulage Wages Act will also prove genuinely helpful in fixing district rates.

In any case, the failure of a specific method for determining local rates in certain trades by no means condemns the principle of wage differentiation, nor even the advisability of regional differentials *per se*. The case for regional differentials is strongest in the making-up, the service, or the distributive trades such as dressmaking, laundry, or milk distribution, where the market is essentially local. In these trades the selling price and profits depend more directly upon the spending capacity of the

¹⁸ Testimony given before Cave Committee.

} community than in the manufacturing industries where the market includes a wider area. Yet higher wages mean more consumer purchasing power, provided they are not passed on in the form of higher prices. Among these trades, too, different shops cater to customers belonging to different income groups. The hand laundries, for example, draw one class of patronage while the steam laundries serve another.

In connection with regional differentials the possibility that some establishments or even industries may move from high- to low-wage areas has also to be considered. Owing to the fact that wages are generally lower in the south than in the north of England, industry has exhibited some tendency to migrate southward, though in the case of hosiery and perhaps other industries the movement is northward. Aside from a mere threat of migration in the boot and shoe repairing trade back in the critical period 1921-22, however, nothing of the sort seems to have occurred as a result of local wage differences effected by the Trade Boards. That no such movement has developed is due partly to the narrow margins of regional differentiation, partly to recent mechanization, especially in the smaller industries to which the legal minimum rates usually applied, which have made absorption of increased wage costs easier, and partly to the natural British disinclination to pull up stakes and move.

✓ The contradictions and uncertain elements involved in wage differentiation by regions raise a serious question as to its advisability in all but a few industries which are peculiarly local in character. Even among the trades of this type where differentials have been fixed, discontent has often arisen among employers because their

particular plant was required to pay higher wages on account of being located on one side or the other of an imaginary line. In consequence the Boards tend to follow the precedent of the Minister of Munitions established at the end of the War by abolishing geographic lines of differentiation wherever it is possible without bringing serious harm to any group. Only thirteen Boards had recognized regional differentials of any kind up to the end of 1938.

✓ COST OF LIVING DIFFERENTIALS

Manufacturing Industries

At the pole opposite the distributive, service, and making-up trades are the manufacturing industries perhaps having a national or a foreign market, like paper box making or jute manufacture. On the face of it these appear to be trades to which the same minima should certainly apply throughout the entire industry. Yet some of the employers take the point of view that local wage differentials should be allowed on the basis of differences in the cost of living, in order to offset special competitive disadvantages to which they are subject. The alternative, they contend, is impoverishment for the industry and unemployment for those working in it.

Investigation tends to show, however, that the cost of living varies more according to the degree of concentration in population than according to geographic area. Even then differences are apt to be grossly exaggerated. Some commodities that are dear in one community may be relatively low in another, while those cheap in the one place may be expensive in the other, so that a balance quite possibly evens up the total cost of living. For example, house rentals are customarily lower in small towns than in cities and there is less expenditure for

travel to and from work. But the prices of toilet articles and drugs as well as many articles of clothing are frequently higher in outlying districts. Moreover, where the cost of living is relatively low the cost of operating a factory or business is probably lower too. Where the cost of living is low, the efficiency of workers may be also, but so, more than likely, will be the efficiency of management. And where the cost of living is low, the plane or level of living is in all probability also low. Finally in connection with all these entangled considerations it must be remembered that at best cost of living figures in any country represent little more than an informed guess. No Trade Board makes provision for regional differentials strictly on a cost of living budget basis.

Sliding Scales

Though relative cost of living in different areas has not constituted the basis of regional differentials, some Trade Boards have attempted to meet variations in the national cost of living index by the means of a sliding scale. During the War increases in living costs were periodically met by the addition of bonuses or other increments to the existing base rate. These were intended to offset temporary rises in prices. But when prices began to fall precipitously in the early twenties, Trade Board workers, like other workers, opposed corresponding wage reductions. Some of the Trade Boards met this problem by adopting the compromise practice then embodied in a number of collective agreements. By this arrangement wages were arbitrarily stabilized at a certain index figure, irrespective of whether or not the basic rate thus established represented a "living wage." A sliding scale was then constructed so that minimum time wages automatically rose and fell with each fluctuation

of a stated number of points in the Ministry of Labour cost of living index, above or below the point of stabilization. Authorization for such action is found under section 3 (2) of the act of 1918, which provides that a Trade Board may fix "a series of minimum rates to come into operation successively on the expiration of specific periods." This clause has been interpreted by the Minister of Labour to mean that a Board is competent to fix minimum rates on a sliding scale by specifying the periods during which they are to remain operative either by calendar dates, or variations in the cost of living, or by some other factor intimately affecting an industry such as changes in the market price of essential raw materials. But a Board is not competent to define a period by reference to more than one variable.

In spite of opposition from many workers on the ground that it tied them to the existing standard of living, nine Trade Boards made use of this contrivance between 1922 and 1932. By 1933, however, four of the nine sliding scales had been abandoned, and several others had been modified to include only certain classes of workers and certain cost of living categories. No two of the five existing scales are exactly alike. Those constructed by the Chain and by the Brush and Broom Trade Boards are most complete in that they cover all classes of workers and all categories in which the cost of living is likely to fall. Both of these scales have been in operation for about fifteen years and they represent similar approaches to the problem. Using the Ministry of Labour cost of living index figure,¹⁴ the Chain scale defines sixteen categories between 0 and 135 and over, fixing time- and piece-rates to be applicable when the figure

¹⁴ The cost of living figure published monthly by the Ministry of Labour is expressed as the percentage increase over the July 1914 cost of living. It is a working-class figure.

is less than 90 but more than 72. As indicated by the following table, the scale provides for regular percentage increases or decreases on these base rates, which move *down* from the stationary period 73-89 by 5 per cent jumps for each drop of 9 points in the cost of living index figure to a 45 per cent reduction in wages at 0, and *up* in the same way from the period when the cost

SLIDING SCALE BY WHICH GENERAL MINIMUM TIME- AND PIECE-RATES ARE ADJUSTED BY THE CHAIN TRADE BOARD FOR PERIODS DEPENDENT ON THE COST OF LIVING FIGURE*

Ministry of Labour Cost of Living Figure	General Minimum Time- and Piece-Rates as Percentage of Published Rates
0 and under.....	55
1- 9.....	60
10- 18.....	65
19- 27.....	70
28- 36.....	75
37- 45.....	80
46- 54.....	85
55- 63.....	90
64- 72.....	95
73- 89.....	100
90- 98.....	105
99-107.....	110
108-116.....	115
117-125.....	120
126-134.....	125
135 and over.....	130

* Compiled from Order C(27).

of living stands at 73-89 till wages have increased 30 per cent at 135 and over.

The scale prescribed by the Brush and Broom Trade Board established fourteen cost of living categories between 30 and 116 and over, using the official cost of living index numbers. Minimum time-rates for male and for female workers are specified for each of the cost of living categories by age and occupation, on a shilling basis, the percentage increases or decreases varying irregularly from 0 to 6 per cent between categories, taking 106-110 as 100. General minimum piece-rates are fixed

by a similar method, the percentage changes from base rates fixed for the category 106-110 ranging from a 5 per cent increase at 116 or over to a 27½ per cent reduction at 30 or below, usually by 2½ per cent intervals (see following table). All classes of workers, even apprentices and learners, are included under this sliding scale plan.

SLIDING SCALE BY WHICH GENERAL MINIMUM PIECE-RATES ARE ADJUSTED
BY THE BRUSH AND BROOM TRADE BOARD FOR PERIODS
DEPENDENT ON THE COST OF LIVING FIGURE*

Ministry of Labour Cost of Living Figure	General Minimum Time-Rates as Percentage of Published Rates
30 and under.....	72½
31- 45.....	75
46- 54.....	77½
55- 65.....	80
66- 75.....	82½
76- 80.....	84
81- 85.....	86½
86- 90.....	89
91- 95.....	92
96-100.....	94½
101-105.....	97
106-110.....	100
111-115.....	102½
116 and over.....	105

* Compiled from Order M(49).

The three remaining sliding scales are worked out on a shilling rather than a percentage basis. They are less comprehensive than the chain or brush and broom sliding scales since they apply either to a narrower range of cost of living changes or to fewer classes of workers, or both.

In periods of rapidly fluctuating prices sliding scales of wages have the advantage of automatically adjusting minimum rates, thus rendering frequent Trade Board meetings unnecessary, considerably speeding up the whole machinery of wage fixing, and to a certain extent

eliminating the usual lag of wage behind price changes, besides reducing the cost of meetings. On the other hand, such scales tend to freeze the standard of living. And it is doubtless on account of the workers' objection to this that the practice has been abandoned by several Boards. The present trend is away from this type of minimum wage scale.

SEX DIFFERENTIALS

In fixing general minimum time-rates of wages it is customary to differentiate according to the sex of the worker. The scale of the Keg and Drum Trade Board for example¹⁵ sets a starting rate of $3\frac{1}{2}$ d. per hour for male workers under 15 years of age while that for female workers is $3\frac{1}{4}$ d. From this point the rates for both sexes increase annually until they reach a maximum at $7\frac{1}{2}$ d. per hour for females 18 years of age and over and at 1s. $\frac{3}{4}$ d. for males 21 years of age and over. At the age of 18 years the males are entitled to 8d. per hour compared with the $7\frac{1}{2}$ d. payable to female workers, the rates for male workers continuing to advance until they reach the maximum at 21 years of age.

Wage differentiations between the sexes have been generally accepted upon the assumption, often a false one to be sure, that men have families to support while women have only themselves. In some cases, however, other motives appear to have entered into determination of women's rates. In trades where women's work is distinctly separate from that of men, relatively low rates for women may allow men's wages to remain higher than would otherwise be normal. On the other hand in trades where men and women do the same or nearly the same work, women workers may tend to drive men out of employment when their wages are lower ex-

¹⁵ Order K.D. (10).

cept, of course, in certain occupations such as the retailing of men's clothing where men will hold their own in spite of the competition of women, on account of certain peculiar conditions. During periods of trade depression this is especially likely.

Immediately following the World War the principle of "equal pay for equal work" persistently came up as the new Boards fixed their initial rates. This formula, on the whole, proved fictitious since women seldom undertook work identical with that done by men in peace time. The principle of "equal pay for equal value," incorporated in the international labor standards of the Treaty of Versailles, became a substitute standard. At least theoretically this standard constituted the basis for determining the initial rates for women by most of the post-war Trade Boards. But actually, lack of time, money, and equipment precluded making the studies required to ascertain accurately what were the exact relative values of male and female workers doing the various jobs covered by minimum rates. If sufficient information were not available to apply one of these principles or, if this action appeared inexpedient, the workers' side usually demanded four-fifths or five-sixths of the male time-rate for female workers.¹⁶ This was not obtained, however.

Of the general minimum time-rates of wages operative on December 31, 1937, by the orders of the various Trade Boards, that applicable to the lowest grade of experienced adult females most nearly approximates the corresponding male rate in the boot and shoe repairing rate schedule, the ratio being 72 per cent. The ratio of women's to men's rates in the next four trades are 67 per cent in retail bespoke (custom) tailoring (England

¹⁶ Dorothy Sells, *The British Trade Boards System*, p. 155.

and Wales); 64 per cent in jute; 64 per cent in retail bespoke tailoring (Scotland); 63 per cent in milk distribution (England and Wales). Aside from chain making, where no sex differentiation is made, the three trades in which this rate for women bears the lowest percentage relation to that for men are button manufacturing, where it is 48 per cent; coffin furniture, 51 per cent; and cutlery, 52 per cent. The percentage relation between the average of such rates for women applicable in all trades to that for men is 57 per cent.¹⁷

These figures represent only minor changes as compared with figures for December 1, 1922, when war conditions still strongly influenced wage rates. At that time women workers of the same grade in boot and shoe repairing were entitled to 70 per cent of the comparable men's rate. Women jute workers were in almost exactly the same position as at present. The lowest ratio of all then existed in the coffin furniture trade where it was 49 per cent instead of button making as now at 48 per cent. The table on page 180 gives the ratios between the different groups of Trade Board trades.

Aside from the small metals trades, where women's wages are notoriously depressed, the different group ratios for 1937 show a small margin of difference. As between the ratios for all trades in 1922 and 1937, the difference is negligible. A comparison between similar figures for 1914 and 1937 shows an increase of nearly 5 per cent in the ratio of women's to men's wage rates during that period of twenty-three years. But on the basis of a comparison between the ratios for all the Trade Board trades and the average ratio for all trades given by the War Cabinet Committee on women in industry as

¹⁷ See Chap. X, pp. 279-81, for further discussion of the relation between the rates fixed for men and for women by the wages boards.

“rather less than 50 per cent” immediately preceding the War, women workers appear to have made considerable progress under the Trade Boards, that is, nearly 7.5 per cent.¹⁸ Still the ratio of women’s to men’s wage rates in 1937 remains 8.9 per cent below the level attained in 1918, that is, 66.3 per cent. At that time, however, the

GENERAL MINIMUM TIME-RATES FIXED BY THE TRADE BOARDS FOR THE LOWEST GRADES OF EXPERIENCED ADULTS, 1937, 1922, 1914^a

Trade Group	Average Hourly Rate December 31, 1937		Percentage Ratio of Female to Male Rates			
	Males		Females	December 1937	December 1922	December 1914 ^b
Clothing.....	s. 1	d. 5/8	d. 7 4/10	58.7	58.0	—
Textile.....	10	4/5	6 1/3	58.8	57.7	—
Small metals.....	1	7/8	6 5/6	53.2	52.8	—
Food.....	1	1 1/5	7 1/2	57.0	55.7	—
Distributive and service.....	1	3/8	7 1/8	57.6	54.0	—
Miscellaneous.....	1	1/16	7 1/8	59.0	58.8	—
All trades.....	1	3/10	7 1/16	57.4	56.7	52.5

^a Compiled from Cave Committee Evidence and Ministry of Labour Reports.

^b The number of trades for which rates had been fixed is too small to make grouping significant.

^c Cotton, wool, silk, and rayon manufacture are not covered by a Trade Board.

work relationship between the sexes was distorted by the War.

Analysis of the existing Trade Board time-rates for women discloses only eight instances where no distinction is made between male and female rates. In several of these cases failure to discriminate is more nominal than real. The chain trade wage orders, for example, make no mention of sex, piece-rates being prescribed according to the type of chain being made. But since women make only the small link chain, while men almost exclusively forge the heavier types, there is actually a differentiation on the basis of sex, the women’s

¹⁸ For discussion of the principles which should govern the relation between men’s and women’s wages, see War Cabinet Committee, *Women in Industry*, Cmd. 135, 1919, pp. 4-5.

rate being only 41 per cent of that applying to men. This represents the widest difference between the rates for males and females prescribed in any Trade Board industry. Machine-made lace finishing and drift nets mending are two other trades in which no mention of sex occurs. In neither of these processes are men employed.

Five other Boards, namely, Boot and Shoe Repairing, Brush and Broom Making, Fur Dressing, Milk Distributive (Scotland), and Sugar Confectionery and Food Preserving, have prescribed the same minimum time-rates of wages for men and women workers engaged on similar jobs. The reason for doing this in at least two of these trades is probably to protect male workers from the competition of females. But the original object of the Sugar Confectionery Board in setting the same rates for females as for males engaged in skilled occupations like cocoa making and sugar boiling, usually considered men's work, appears to have been an effort to protect the jobs of women called to this work during the War. A number of other Boards have fixed piece prices irrespective of sex on the principle of equal pay for equal output. But here again, the equality is largely spurious since piece tasks assigned the two sexes are not ordinarily the same.

When both male and female workers come within the purview of minimum wage legislation, defining a relative wage policy becomes both administratively and socially of the first importance. Nor is it a question that can be satisfactorily settled offhand upon emotional or traditional lines. The whole problem requires re-thinking on a practical and objective basis considering as primary the well-being of society. Given existing machine production methods, should workers be paid on the basis

of the job they do, the value of their services, their need as human beings, their bargaining power, or some other criterion? Is it desirable that a minimum wage should be predicated upon a policy different from that customarily practiced in industry with regard to wages generally? What effect will a flat minimum rate for both sexes have upon the employment of women? Will a differential for women tend to keep men's wages down? Assuming that male workers have families to support and female workers do not, what percentage of the male rate should female workers receive? These are a few of the practical questions to be answered before determining the relation of minimum rates for men and women workers.

In realistic fashion, the Trade Boards began with the situation as it existed just before the War. In the following twenty-five years they have definitely articulated a theory in wage orders by gradually reducing the margin of difference between the minimum wage rates for unskilled adult male and female workers to a considerable degree. Where men and women actually do the same skilled work they have either fixed piece-rates or equalized the time-rates of pay. But this occurs in very few instances.

AGE DIFFERENTIALS

Age differentials find ample precedent in negotiated trade union wage scales. In unorganized and unskilled trades the younger workers not infrequently suffer from the failure of employers to grant regular and appropriate wage increases as well as from lack of an opportunity to learn the trade. On the other hand aged workers may become unemployed owing to physical infirmities, when at a lower wage suitable work might be found for them

to do. The Trade Boards have dealt with both these problems.

Aged Workers

Special provision is made by the acts¹⁹ for exempting employers from paying the minimum time-rates to workers who by reason of infirmity or physical injury are incapable of earning the appropriate minimum time-rate and who are not eligible for piece payment. This provision includes payment of a guaranteed time-rate to pieceworkers unable to earn the statutory rate. Though this provision does not apply exclusively to aged workers, in practice it is chiefly such persons whom it protects by permitting what amounts to differential rates.

In connection with this provision the Trade Boards have taken great care not to allow a loose exemption policy which would create hardships equal to those resulting from unemployment if no permits of exemption were granted. Consideration of applications for exemption is delegated by most Boards to its administrative or "permits" committee which is composed of equal numbers of employers and workers plus one appointed member. Applications must state: (1) the worker's desire to be employed at the minimum rate, (2) the nature of the infirmity or injury, (3) the reason why he cannot be employed at piece-rates, (4) the conditions of the proposed employment, including the number of hours, rate of wages, and kind of work, and must bear the signature of both worker and employer.²⁰ Unless the application gives unmistakable evidence of validity it is investigated by a member of the committee, a member of the Board residing near the applicant, a member of the district trade committee, or a regular officer of the Minis-

¹⁹ Sec. 5(5), 1918.

²⁰ For a sample application, see App. A, p. 375.

try of Labour. Upon receipt of a report the committee may approve the application, reject it, or accept it with such changes in the terms as investigation indicates, also specifying the period of its validity.

The only grounds upon which a Trade Board may grant an exemption are physical or mental incapacity, a doctor's certificate usually being required in support of the claim. Workers described as "just slow" are not eligible. Of course workers over 65 years of age may retire under the old age pension scheme, but prior to that time a person who proves unable to earn the minimum time-rate and is of advanced age may be considered infirm and so entitled to exemption. When the exemption expires, it may be reinvestigated or an extension may be granted without further inquiry, depending upon the nature of the case. The tendency is for Boards to encourage stabilization of employment by making the exemption period as long as possible.

So long as an employer complies with the conditions of a permit, he is not liable for failure to pay the prescribed minimum rate of wages while it applies. But he is not exempt during the time intervening between application and its formal approval by the Board or by the committee acting for it. In order to avoid loss to the employer or unemployment to the worker during this interval, which may be several months, temporary permits have sometimes been granted stipulating what wage may tentatively be paid. It is not the practice of the Ministry, however, to take action against an employer for failure to pay the legal rate pending investigation of an application for exemption, though he is technically liable for violation of the act.

The number of permits granted by each Board depends upon the total number of workers in that trade,

the nature of the work, the relative amounts of piece and time work in the trade, the general policy of the Board with regard to exemptions and to a certain extent upon the suitability of the work to handicapped workers. The boot and shoe repairing trade, for example, being one adapted to employment of partially disabled soldiers, for many years led in the granting of exemptions. The policy of a Trade Board with regard to issuing permits to pay less than the minimum time-rate may also alter from year to year according to economic conditions, an effort being made in time of trade depression to prevent unemployment by an easier exemption policy rather than a general reduction of rates. Ordinarily the total number of permits in effect varies relatively little from year to year. During the depressed years, 1929 to 1935, however, the number increased by nearly 700, sharply declining in the next two years following an upward trend in business. On December 31, 1937, the total number of workers who held permits of exemption enabling them to be employed at less than the legal minimum rates of wages was 2,487. This number represents 0.2 per cent of the estimated 1,136,000 workers falling within the purview of the Trade Boards Acts. The table on page 186 gives the number of permits outstanding in each of the last fifteen years.

Granting permits of exemption is an important matter, and the Trade Boards have handled it exceptionally well. Unemployment, human suffering, and injustice may result from a rigid system where no exemptions are permitted. On the other hand failure to investigate applications, coupled with an easy exemption policy, undermines the whole minimum wage system. It provides an opportunity for unfair discrimination between

employers; it may mean that rates set at a reasonably high figure are in practice much lower; it may become a means by which employers can evade the legal rates; or it may result in reversion to individual bargaining and a reduction of the minimum wage suitable for the physically fit to the standard for the unfit. If kept in check the permit of exemption is a valuable instrument

NUMBER OF PERMITS OF EXEMPTION HELD ON DECEMBER 31,
1923-37^a

Year	Number of Permits Outstanding
1923.....	2,234
1924.....	2,355
1925.....	2,320 ^b
1926.....	2,063 ^b
1927.....	1,965
1928.....	2,136
1929.....	2,284
1930.....	2,415
1931.....	2,606
1932.....	2,822
1933.....	2,839
1934.....	2,890
1935.....	2,935
1936.....	2,679
1937.....	2,487

^a Compiled from Ministry of Labour Reports, 1923 to 1937.

^b A number of inoperative permits were cleared during 1925 and 1926 in the course of a systematic review of the outstanding permit cases and this renders strict comparison between the figures for 1924 and 1925 and for 1925 and 1926 impracticable.

for giving elasticity to minimum wage schedules. But when used too fully or unfairly it becomes a real danger to successful administration. The facts that exemptions are granted exclusively to the physically or mentally disabled, that employers and workers on the Boards cooperate in handling this matter judiciously, and that every exemption requires the approval of both employer and worker representatives on the committee have acted together in bringing about satisfactory results.

Young Workers

Prior to establishment of Trade Boards the wages of juvenile workers were usually regulated on a so-called merit basis, especially in those relatively unskilled and unorganized industries for which Trade Boards later came to be established. This too often meant that young people leaving school at 14 years of age²¹ remained for several years on dead-end jobs with no increase in wages and little if any opportunity to learn the trade. The chief problem in fixing minima, therefore, was to insure them a chance to learn the trade and a definitely graduated increase in wages, at the same time prescribing wage rates that would neither prejudice the employment of adults by being too low nor prevent recruiting new workers for the trade, either by being too high for employers to pay or too low to attract young workers into the trade.

Under the power to fix minimum rates for different classes of workers, every Trade Board, but one,²² which sets the same rate for all workers, has made special provision for the employment and payment of young persons. For purposes of minimum wage regulation workers are considered juveniles between 14 and 18 years of age if females, and between 14 and 21 years of age if males, the adult rate applying at 18 and 21 years of age respectively. This practice follows the classification established by wage-regulating bodies during the War. Prior to that time it was usual to start payment of the adult rate to workers of both sexes at the age of 21 and a few Boards still adhere to the pre-war custom. From the table on page 188 it is clear that ex-

²¹ The Education Act, 1936, raised the school-leaving age to fifteen years.

²² Drift Nets Mending.

**TRADE BOARD PROVISIONS FOR INCREASES IN MINIMUM RATES
APPLICABLE TO YOUNG WORKERS***

Trade Board	Interval at Which In- creases Are Given			Basis on Which Increases Are Given	
	Half- Yearly	Yearly	Other	Age	Expe- rience
Aerated Waters (E. and W.)		x		x	
Aerated Waters (Scot.)		x		x	
Boot and Floor Polish		x		x	
Boot and Shoe Repairing		x		x	x
Brush and Broom	x	x		x	x
Button Manufacturing		x		x	
Chain	x				x
Coffin Furniture and Cerement Making	x	x		x	x
Corset	x	x		x	x
Cotton Waste Reclamation		x		x	
Cutlery		x		x	
Dressmaking and Women's Light Clothing (E. and W.)	x	x		x	x
Dressmaking and Women's Light Clothing (Scot.)	x	x		x	x
Drift Nets Mending	x			x	x
Flax and Hemp	x	x	x (3 months)	x	x
Fur		x		x	x
Fustian Cutting			x (monthly)		x
General Waste Materials Reclamation	x			x	
Hair, Bass and Fibre	x	x		x	
Hat, Cap and Millinery (E. and W.)	x	x		x	x
Hat, Cap and Millinery (Scot.)	x	x		x	x
Hollow-ware		x		x	
Jute		x		x	
Keg and Drum		x		x	
Lace Finishing	x				
Laundry		x		x	
Linen and Cotton Handkerchief and House- hold Goods and Linen Piece Goods		x		x	
Made-up Textiles		x		x	
Milk Distributive (E. and W.)		x		x	
Milk Distributive (Scot.)		x		x	
Ostrich and Fancy Feather and Artificial Flower	x	x		x	x
Paper Bag	x	x		x	x
Paper Box	x	x		x	
Perambulator and Invalid Carriage		x		x	
Pin, Hook and Eye and Snap Fastener	x	x		x	
Ready-made and Wholesale Bespoke Tailor- ing	x	x		x	x
Retail Bespoke Tailoring (E. and W.)		x			x
Retail Bespoke Tailoring (Scot.)		x			x
Rope, Twine and Net	x	x		x	
Sack and Bag		x		x	
Shirtmaking	x	x		x	x
Stamped or Pressed Metal Wares		x		x	
Sugar Confectionery and Food Preserving		x		x	
Tin Box		x		x	
Tobacco	x	x		x	x
Toy Manufacturing		x		x	
Wholesale Mantle and Costume	x	x		x	x

* Compiled from Trade Board orders.

Where crosses are shown in more than one of the first three columns this indicates that provision is made for some juveniles to receive yearly increases and for others to receive increases at half-yearly or some other interval. Similarly, crosses appear in both the fourth and fifth columns when a Board makes provision for some juveniles to receive increases on an age basis and some according to experience, or when increases are partly determined by age and partly by experience.

perience and age represent the two bases for increasing minimum rates of juvenile workers under the Trade Board orders, the increases being granted at definite yearly, half-yearly, or other intervals.

Special provision for young workers is made in one or more of the following ways: (1) by fixing scales of rates increasing with the age of the worker, no other conditions being attached; (2) by fixing rates for learners, certain conditions regarding their employment being prescribed; (3) by fixing rates for apprentices as part of an apprenticeship scheme; and (4) by fixing special rates for juveniles employed under abnormal conditions.

Juveniles. The Boards which have adopted the first method of prescribing juvenile rates and have fixed no special rate for learners or apprentices cover twenty-one of the least skilled trades in which the skilled workers require little protection. This is the simplest method of dealing with the problem of young workers and the most easily enforced because it is definite and concrete. Minimum time-rates for boys and girls usually start at approximately the same level and remain approximately the same up to 18 years of age, when girls receive the maximum adult rate. The rates for boys continue to increase each year until the full adult rate for males is reached at 21 years of age. If the trade is one where piecework is customary, both boys and girls go on the piece-rate when they reach adulthood. The schedule for the Boot and Floor Polish Trade Board on page 190 shows how the general minimum time-rates are graduated from 14 to 18 years of age for female workers and 14 to 21 years of age for male workers, the rates being the same at the starting age and increasing yearly to 18 years of age when the full adult female rate becomes applicable but continuing

to increase for male workers to 21 years of age when the adult rate comes into force.

GENERAL MINIMUM TIME-RATES FOR MALE AND FEMALE WORKERS
UNDER THE BOOT AND FLOOR POLISH TRADE BOARD*

Sex and Age	Weekly Rate (In shillings)
Male	
14.....	12
15.....	16
16.....	20
17.....	25
18.....	30
19.....	36
20.....	44
21 and over.....	54
Female	
14.....	12
15.....	16
16.....	20
17.....	25
18 and over.....	30

* Order B. P. (4).

Learners. Trade Boards prescribing learners' rates for the most part represent the semi-skilled trades. Of these there are twenty-four. The term "learner" is usually defined in the wage order prescribing minimum rates. The Chain Trade Board, for example, defines learners with great precision as persons who:

1. Are definitely and effectively employed in the practical learning of the trade under an agreement in writing and have not been definitely employed in learning the trade more than two years;

2. Are under 17 years of age;

3. Are working under the conditions that the workshop and the tools and the fuel are provided by the employer;

4. Hold a certificate from the Trade Board issued on an application made prior to the commencement of the employment or within such period thereafter, as the Trade Board may in any case or class of cases allow. Provided always that in granting or withholding such certificate the Trade Board

may take into consideration whether having regard to the number of learners employed in any factory or workshop or under any Journeyman or worker, the learner proposed to be certificated has a reasonable prospect of receiving due instruction. Provided also that any certificate may be withdrawn if the Trade Board considers that the conditions of employment have ceased to be such as would have originally justified the grant thereof.²³

By requiring a written agreement of employment and specifically stating the conditions under which a learner shall work, this definition brings the learner very close to an apprentice. But most Boards describe learners more loosely. A current order of the Hollow-ware Trade Board, for example, describes a learner in one sentence thus:

... a worker under 21 years of age who is employed under conditions which, in the circumstances of the case, afford a reasonable prospect of advancement to the minimum rate for male workers other than learners.²⁴

Several Trade Board orders, among them those of the Retail Bespoke Tailoring (England and Wales) and the Brush and Broom Boards specify that a young person is not a learner if he or she works in a room used for dwelling purposes unless in the employ of a parent or guardian. This provision safeguards young people from exploitation in conditions where deception might otherwise prevent proper payment. One Trade Board, the Boot and Shoe Repairing, takes pains to prescribe the exact period of time that a learner shall spend in each occupation while learning the trade. This is also the sole trade specifying the proportion of learners to journeymen to be employed. The only Board requiring a written agreement between a learner and the employer is that for chain making where learnership ar-

²³ Order C(27).

²⁴ Order H(28).

rangements resemble an apprenticeship scheme. But 17 out of the 24 trades with learnership provisions require certificates of learnership.²⁵

The Trade Board provisions affecting learners vary considerably depending upon conditions existing in each particular trade. As a rule the length of the training period bears a direct relation to the degree of skill represented by a trade. Young workers are most valuable to employers in the more mechanized trades which are relatively easy to learn. Learners' rates are therefore higher at the earlier ages than in the more skilled trades, while the adult rates tend to be relatively lower. In some trades it may be required that the learners shall be taught the whole trade, while in other cases they may learn one or two processes only. Again, the cost of spoiled material being greater and the value of the work done during training being less in some occupations than in others, a lower compensation to learners may appear justified.

Apprentices. Seven boards covering the most skilled of the Trade Board trades have worked out elaborate apprenticeship schemes. All but one²⁶ of these Boards have also adopted special provisions for learners. The apprenticeship schemes bind young workers to serve under an indenture, while learners, except in chain making, enter the trade under the ordinary verbal contract with the implied understanding that the employer will afford them an opportunity to learn the trade as a whole or some branch of it, either party being free to terminate the contract with the usual notice.²⁷ Both apprentices and learners usually receive lower wages than ordinary

²⁵ For a form used for certification of a learner, see App. A, pp. 372-74.

²⁶ Retail Bespoke Tailoring (Scotland).

²⁷ For a form used for certification of an apprentice, see App. A, pp. 368-69.

juvenile workers on the grounds that the latter are employed solely for what they can do, while the two former groups of workers are being taught the trade.²⁸ In order to encourage employers to accept the greater responsibility of teaching and often the greater cost of employing them, apprentices customarily receive the least compensation of all juvenile workers, that is, the least at comparable age periods.

Most of the Trade Board apprenticeship plans were inaugurated immediately following the War. At that time the supply of skilled labor was seriously threatened by the breakdown of apprentice training during the War and the general unwillingness of employers to assume the burden of training new workers in the post-war years. The first Trade Board trade to establish an apprentice scheme was brush and broom making, in which there was an acute shortage of skilled labor. Elaborate plans have also been adopted by the Boot and Shoe Repairing and the Retail Bespoke Tailoring Trade Boards. An analysis of all the existing plans is set out in the table on page 194.

Several of the schemes include female as well as male workers. The term of service varies from 2 to 5 years, depending upon the intricacy and skill of the trade, 4 and 5 years being most common. Four of the seven plans designate the proportion of apprentices to journeymen employed, while all of the plans fix a graduating scale of minimum time- and/or piece-rates based upon differing criteria.

One great advantage of these Trade Board apprentice plans is that both workers and employers agree to them. The fact that government inspectors enforce their terms also precludes exploitation of young workers. Provisions

²⁸ For a sample form of indenture of apprenticeship, see App. A, pp. 370-71.

ANALYSIS OF TRADE BOARD APPRENTICESHIP SCHEMES^a

Trade	Sex of Apprentices	Kinds of Rates ^b	Basis of Rates	Fixed Proportion of Apprentices to Journeymen	Length of Service	Special Features
Boot and Shoe Repairing.	Males and females	G.M.T.	Age of apprentice; age at entry	1 to 2	3 years ^c	3 months' probation period.
Brush and Broom	Males only	G.M.P. P.B.T. Gtd.T. G.M.T.	Year of apprenticeship; branch of trade	1 to 3	4-5 years	Payment of wages not required during slack employment. Rates stated as percentages of rate otherwise applicable. Payment of journeymen instructors. No published form of indenture. 12 weeks' probation period. Apprentice must be 16 or over. No published form of indenture. Dismissal for bad behavior. If employer ceases to operate business or dies, he or his executor is required to find new employer for apprentice.
Flax and Hemp	Males only	G.M.T.	Year of apprenticeship	None	3-4 years	3 months' probation period. Dismissal for bad behavior. Death of employer (see above). 3 months' probation period.
Fur	Males and females	G.M.T.	Year of apprenticeship	1 to 5 or fraction thereof	5 years	3 months' probation period. Dismissal for bad behavior. Death of employer (see above). 3 months' probation period.
Retail Bespoke Tailoring (E. and W.)	Males and females	G.M.T.	Sex; area; board and lodging; year of apprenticeship	None	5 years	3 months' probation period. Dismissal for bad behavior. Death of employer (see above). 3 months' probation period.
Retail Bespoke Tailoring (Scotland)	Males and females	G.M.T.	Sex; area; board and lodging; year of apprenticeship	None	4-5 years	3 months' probation period.
Tobacco	Males and females	G.M.T. G.M.P. Gtd.T.	Sex; area; occupation; age; year of apprenticeship	1 to 3, cigar-making 1 to 5, cigar-sorting ^d	5 years	Board, lodging, clothing, medical care, and other necessities provided. Time lost by sickness served at end of 5 years. Dismissal for bad behavior; or marriage, if female.

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^a Taken from Trade Board poster notices as of December 31, 1937.

^b The abbreviations used are: G.M.T., general minimum time-rate; G.M.P., general minimum piece-rate; P.B.T., piecework basis time-rate; Gtd.T., guaranteed time-rate.

^c For workers beginning under 18 years of age, the length of service is until 21 years of age. For males 19 years of age or over who have been employed for not less than two years as learners in the trade, a special two-year apprenticeship in sewing and stitching machines is provided.

^d When the number of journeymen is 5-6, 1 apprentice is allowed; 7-13, 2; 14-19, 3; 20 and over, 1 for each 5.

requiring periodic increases in wages tend to encourage employers to provide adequate instruction and to promote young workers regularly in order to make these workers as valuable as possible. Defining learners and apprentices in exact terms has also proved advantageous. That these plans have improved the instruction of young workers, prevented them from falling into blind-alley occupations, and increased their wages is thoroughly substantiated by the experience of the Juvenile Employment Exchanges and persons dealing with young workers in other capacities. The work of Trade Boards in fixing minimum rates for young workers and prescribing the terms of employment for learners and apprentices has thus proved one of their most constructive fields of action. But with the increasing mechanization of industry there is nevertheless a marked tendency for apprenticeship to decline except in five or six of the most skilled industries not under Trade Boards.

Other juveniles. If the conditions attached to payment of the rates for learners or apprentices are not fulfilled, the full adult rate is theoretically applicable. In practice, however, it has been found impracticable to require payment of the full adult rate to juveniles in default of compliance with such conditions. Six Trade Boards have therefore provided an alternative rate for juvenile workers, the conditions of whose work do not satisfy requirements for payment of a lower rate. This alternative is called a "fall-back" rate and is intermediate between that for learners and that for adults. The Paper Bag Trade Board order,²⁹ for example, specifies that any learner not actually employed under the conditions applying to learners in the schedule shall be paid 25 per

²⁹ Order, p. 17.

cent above the general minimum time-rates for learners of the same experience and age at entry, applicable when such conditions are being met.

Thirty-one of the Trade Boards also fix special rates for young persons beginning employment in that trade later than the average worker. Minimum rates prescribed for such "late entrants" are usually lower than for young persons of the same age who have been in the trade since the age of 14 or 15 years, but increase more rapidly, reaching the same level at the age where adult rates begin to apply. Another way of dealing with learners

GENERAL MINIMUM TIME-RATES AS FIXED BY THE LACE FINISHING TRADE BOARD FOR LEARNERS NOT WORKING ON FRAME CLIPPING*

Period of Employment	Weekly Minimum Rates (in shillings) for Learners Commencing at the Age of—			
	Less than 15	15	16	17
First 6 months.....	8	9	9	9
Second 6 months.....	9	10	12	16
Third 6 months.....	10	12	16	—
Fourth 6 months.....	12	14	20	—
Fifth 6 months.....	14	17	—	—
Sixth 6 months.....	16	20	—	—
Seventh 6 months.....	18	—	—	—
Eighth 6 months.....	20	—	—	—

* Order L(14).

entering the trade late, based upon both age of entrance and length of experience, is illustrated by provisions of the lace finishing trade (see the accompanying table).

DIFFERENTIALS FOR INDUSTRIAL HOMEWORKERS

A homemaker as defined by Trade Boards is a person who works in his or her own home, or in any place not under the control or management of the employer. This distinguishes homeworkers from outworkers, who may be either subcontractors functioning as "little employers" or middle women who distribute and collect

work from homeworkers, remunerating them from a sum paid by the employer or subcontractor to the middle woman who is responsible for all the work she takes out and who sometimes does a bit of homework in her own spare time. Since Trade Boards were inaugurated in Great Britain primarily for the purpose of ameliorating the conditions of industrial homeworkers, the original act³⁰ especially provides for the representation of homeworkers on the workers' side of every Board for a trade where a considerable proportion of homeworkers is engaged. A large proportion of all British homeworkers falls within the purview of the various Trade Boards. Of the forty-seven industries having Trade Boards in 1937, homework exists to some degree in nearly half. Six of these specify separate minimum rates for homeworkers. In all but one case,³¹ however, the rate is the same for home as for factory workers. Therefore no differentials are actually fixed, though the principle of separate consideration is recognized.

Since persons working at home are almost invariably on a piece basis, general minimum piece-rates or piece-work basis time-rates are usually prescribed for industrial homeworkers. But some Boards have specified that the general minimum time-rate shall be applied to homeworkers as well as factory workers. If homeworkers are not in any way especially mentioned in an order it is to be assumed that the regular piecework basis time-rate applies, or the general minimum time-rate in case no piece-basis rate is fixed. Overtime rates do not affect homeworkers since insufficient time records would make it impossible to enforce them. With regard to enforcement, the question has arisen whether factory workers

³⁰ Secs. 11(3), 12(2), 1909.

³¹ Pin, Hook and Eye.

who take work home to do in the evenings are entitled to an overtime rate. On the face of it, this appears to be a contravention of the Factories Act. For purposes of the Trade Boards Act, however, the Minister of Labour has ruled that homework constitutes a separate contract so that overtime payment is not recoverable.

In connection with homework differentials three trades stand out as unique. These are chain-making, machine-made lace and net finishing, and drift nets mending. Both men and women are engaged in homework in the chain-making trade in the sense that they forge the chain in little outhouses at the back of their own homes, providing their own materials and tools, but being paid at piece-rates stipulated by the firm for whom they work. Largely as a result of a 300 to 400 per cent increase in rates brought about by the Trade Board during the past twenty-five years, homework has almost disappeared in this trade.³² Nevertheless the Trade Board continues to fix higher rates for workers who supply their own tools and materials than for those who do not, which in effect amounts to a homework differential though it is not so specified. Machine-made lace and net finishing is one of the four original trades to which the Trade Boards Act was applied. At that time practically all such work was done by women working at home. Recent reports on homework indicate that most of these workers are now housed in factories,³³ the few doing homework being paid by the piece. Under the Trade Board orders homeworkers fetching their own work from the warehouse instead of obtaining it through middle men or women receive 15 per cent in

³² Home Department, *Report of the Chief Inspector of Factories and Workshops*, 1932, p. 74.

³³ The same.

addition to the regular piece-rates, if on a piece basis, and one penny per hour more if working on a general minimum time-rate. Drift nets mending is another trade in which only women are employed and one where homework still exists. General minimum piece-rates applying to homeworkers only have been fixed by this Board.

It seems to be the consensus of opinion among employers that homework is, on the whole, less satisfactory than work done in the factory. Though homework may save overhead expenses in the way of heat, light, power, rent, etc., and the cost of simple tools or machines, these economies are to a large extent, if not entirely, offset by ~~spoiled or soiled~~ work, uncertainty as to its return, the trouble of giving out work, the keeping of accounts and payment of middle men or women to distribute and collect it. To offset these extra costs it has in the past been customary to pay less for work done at home than in the factory. But the Trade Boards have adopted the policy of fixing the same minimum rate of wages for home and factory workers doing the same job, presumably upon the theory that homework will thus be discouraged, though not so drastically curtailed as to work undue hardship upon persons unable to earn their living in the ordinary way.

OCCUPATIONAL DIFFERENTIALS

In addition to prescribing several different types of minimum wage rates applicable universally throughout the trade, Trade Boards are empowered both by the act of 1909⁸⁴ and the act of 1918⁸⁵ to determine rates for "special classes of workers." The pre-war Trade Boards contented themselves with fixing just two sets

⁸⁴ Sec. 4(1).

⁸⁵ Sec. 3(1).

of general minimum time-rates, one applicable to females belonging to different age groups and the other applying to males in the same way. That they did not attempt to fix rates for any "special classes" of workers was probably due to preoccupation with alleviation of sweating, if not in part to the fact that they were in an experimental stage. But passage of the act of 1918 entirely changed the situation. Not only were the Boards accorded power to fix three new kinds of wage rates, but the conception of the function of Trade Boards underwent a change. The new idea that Trade Boards should act more in the capacity of trade councils determining minimum wage standards for the good of the whole society, as opposed to the pre-war conception of minimum wage boards operating primarily to protect the most helpless women workers, had an immense indirect effect upon Trade Board wage determination.

The new Trade Boards Act of 1918 was applied to a number of trades a considerable percentage of whose workers were sufficiently unskilled to fall within the group that a flat minimum rate would protect. Moreover, a general minimum time-rate having been prescribed for the least skilled workers, it became advisable to fix minima for those engaged in more skilled occupations in order that a reduction in the normal margin between the wages of unskilled and skilled workers should not take place. A decision of the Ministry to include clerks and warehousemen within the scope of certain Boards added another reason for fixing rates for special classes of workers, since it was considered unsuitable to prescribe the same minimum rate for these workers as for the bulk of workers in the trade.

Three-quarters of all Trade Boards now fix differential rates for special occupations, commonly known as

"skilled rates." The exceptions are thirteen Boards, most of which cover relatively unskilled trades like boot and floor polish, machine-made lace finishing, and drift nets mending. When rates applying to special classes of workers are fixed, the Board is not so much concerned with fixing a minimum wage as with insuring a fair return to skilled workers on the basis of the value of service rendered.

The highest minimum time-rate fixed for any class of workers is 80 shillings per week of 48 hours for male and female fur cutters who have had 6 years' experience and for journeymen making tommied or dollied and hand hammered chain from the largest size of iron.²⁶ General minimum piece-rates fixed for the highest grades of work in many cases yield considerably more than the maximum time-rates, at least for certain periods of the year. Altogether 33 out of the 47 Trade Boards have prescribed minimum time-rates for special classes of male workers, while 25 Boards have fixed such rates for female workers.

The table on pages 202-03 summarizes the bases of rate differentiation adopted by the various Trade Boards.

POLICY REGARDING DIFFERENTIALS

In so far as any general policy of Trade Boards is implicit in the fixation of general minimum time-rates over a long period of years it may perhaps be stated thus: (1) begin by leveling up wage rates to the standard already existing among the best employers in the trade, allowing differentials only where necessary to prevent serious injury to or dislocation of legitimate business, yet avoiding encouragement of a continuous subsidy from the workers to the detriment of their own

²⁶ Higher rates are fixed for mastermen supplying their own tools and materials.

TRADE BOARDS FIXING DIFFERENTIAL RATES, JUNE 1938^a

Name of Trade Board	Basis of Differentiation									
	Region	Cost of Living	Sex	Age and/or Experience					Industrial Home-work	Occupation
				Juveniles	Learners	Apprentices	"Fall-Back" Juveniles	Late Entrants		
Aerated Waters (E. and W.)	x		x	x				x		
Aerated Waters (Scotland)			x	x						
Boot and Floor Polish			x	x						
Boot and Shoe Repairing			x	x	x	x	x	x		x
Brush and Broom		x	x	x	x	x	x	x		x
Button Manufacturing			x	x					x	x
Chain		x			x					x
Coffin Furniture and Cerement Making		x	x	x				x		x
Corset			x	x	x			x		x
Cotton Waste Reclamation	x		x	x						x
Cutlery			x	x						x
Dressmaking and Women's Light Clothing (E. and W.)	x		x	x	x			x		x
Dressmaking and Women's Light Clothing (Scotland)	x		x	x	x			x		
Drift Nets Mending									x	
Flax and Hemp			x	x	x	x	x			x
Fur			x	x	x					x
Fustian Cutting			x	x	x	x	x			x
General Waste Materials Reclamation			x	x	x					x
Hair, Bass and Fibre		x	x	x				x		x
Hat, Cap and Millinery (E. and W.)			x	x	x			x		x
Hat, Cap and Millinery (Scotland)	x		x	x	x			x		x
Hollow-ware			x	x	x			x		x
Jute	x		x	x	x					x
Keg and Drum			x	x						

Name of Trade Board	Basis of Differentiation									
	Region	Cost of Living	Sex	Age and/or Experience					Industrial Home-work	Occupation
				Juveniles	Learners	Apprentices	"Fall-Back" Juveniles	Late Entrants		
Lace Finishing.....										
Laundry.....	x		x	x	x			x	x	
Linen and Cotton Handkerchief, etc.....			x	x				x		
Made-up Textiles.....			x	x						x
Milk Distributive (E. and W.).....	x		x	x						x
Milk Distributive (Scotland).....			x	x				x		x
Ostrich and Fancy Feather and Artificial Flower.....			x	x	x			x	x	
Paper Bag.....			x	x	x		x	x		x
Paper Box.....			x	x	x		x	x		x
Perambulator and Invalid Carriage.....		x	x	x				x		x
Pin, Hook and Eye and Snap Fastener.....			x	x				x	x	x
Ready-made and Wholesale Bespoke Tailoring.....	x		x	x	x			x		x
Retail Bespoke Tailoring (E. and W.).....	x		x		x		x			x
Retail Bespoke Tailoring (Scotland).....	x		x							x
Rope, Twine and Net.....			x	x				x	x	x
Sack and Bag.....			x	x				x		x
Shirtmaking.....			x	x	x			x		x
Stamped or Pressed Metal Wares.....			x	x				x		x
Sugar Confectionery and Food Preserving.....			x	x				x		x
Tin Box.....			x	x	x			x		x
Tobacco.....	x		x	x	x			x		
Toy Manufacturing.....			x	x				x		x
Wholesale Mantle and Costume.....			x	x	x			x		x
Total.....	12	5	44	40	24	7	6	31	6	34

* Compiled from Trade Board orders.

health and efficiency; (2) increase the minimum rate gradually, taking into consideration changes in the cost of living, what the trade can bear, and the level of wages in comparable trades and occupations; (3) gradually, but persistently, work towards leveling up the wage rates for comparable work in allied trades.

The present general minimum time-rates applying to the lowest grades of experienced adult male workers in all Trade Board trades converge about the one shilling mark, while the same rates for women workers converge about 7 pence per hour. Thus, instead of working from a flat national minimum towards differentials, the Trade Boards appear to be moving in the opposite direction, that is, from differentials towards something of a national minimum. In this way seriously adverse reactions from employers have been prevented. At the same time it has been possible to adjust minimum wage rates so that no substantial group of workers remains unaffected by the established minimum as is bound to be the case when a flat national rate is declared.

Though constantly having in mind a general leveling up of general minimum time-rates, the Trade Boards have on the whole been liberal in their attitude towards differentials, either above or below these rates, when it was believed they would operate for the general good of all those concerned. This policy has tended towards making the entire minimum wage structure flexible and just. It has prevented violent opposition which might otherwise have occurred. It has taken account of individual and group differences. It has protected groups of workers as they would not otherwise have been protected in the interests both of those groups and of society as a whole. And it has kept minimum wage legislation on the statute books, whereas it might otherwise have been abolished.

CHAPTER VIII

MAKING WAGE DETERMINATIONS EFFECTIVE

Once a Trade Board is set up the Minister of Labour's function in relation to that Board ceases until it has proposed and fixed minimum rates of wages. The chief duties of the Minister are then three: (1) to confirm the rates fixed by each Trade Board or to return them to the appropriate Board for reconsideration; (2) to advise on questions of scope; and (3) to enforce the legal rates of wages. These functions also involve a certain amount of so-called operating research.

CONFIRMATION OF RATES

Since the Minister is responsible for defending wage orders before Parliament, should questions arise, it is logical that he should be afforded an opportunity to pass upon the minimum wage rates before they become enforceable. The minimum rates being actually determined by extra-governmental bodies, a final review by the Minister of Labour, who represents the community as a whole, also imparts confidence to all the parties concerned. On the other hand it is doubtful whether employers, workers, or the public generally would approve of a wage-fixing system in which a government department was accorded full powers of wage determination constantly subject as it is to political influence.

Though final power to determine what the minimum rates should be was granted to the Trade Boards under the act of 1909, a check upon their action was arranged through a provision that such rates should remain in

“limited operation,” that is to say, should not become legally enforceable until specifically rendered obligatory by an order of the Board of Trade at the expiration of six months after they became effective.¹ The act of 1918 rescinded this limited operation clause. At the same time it conferred upon the Minister of Labour the mandatory power to confirm all minimum rates fixed by any Trade Board before they become effective. When a Trade Board has fixed a minimum rate of wages, it must notify the Minister. Upon receipt of such notification the Minister is required to consider the rates and to make a confirming order as soon as possible, unless he considers it necessary to refer the matter back to the Trade Board for reconsideration. A confirming order must be made by the Minister within one month from the date upon which notification is received, unless in his opinion “the special circumstances of the case make it necessary or desirable to postpone” such action. The Minister still retains the power given by the act of 1909 to direct a Trade Board at any time to reconsider a wage rate already in operation. But in no case is he given authority to determine what the rate shall be. The power to fix minimum rates rests solely with the Trade Boards.

Use of confirming power. In recent years the Minister of Labour has seldom questioned the action of a Trade Board by use of his power to refer rates back for reconsideration. Prior to 1922, however, the confirmation of rates was so frequently withheld as to create serious conflict with some of the Boards and even to produce defiance. The Boards felt that the Minister was usurping their power to determine minimum wage rates while, on his part, the Minister considered he was performing his duty in a period of acute business depression by protect-

¹ Sec. 5, 1909.

ing the public from hasty or ill-considered action by Boards inexperienced in rate fixing.² Between 1922 and 1938, the entire set of rates fixed by a Board was returned for reconsideration in only five instances. Two of these occurred between 1930 and 1932, which was another marked period of depression. In another five cases, a question relating to a part of a set of rates only was referred back to the appropriate Board. Of these three were based upon conditions existing in the "depressed areas." The power to direct reconsideration of rates already in operation has been exercised only once, and that in 1917 prior to passage of the second Trade Boards Act. At this time the Minister directed all Boards to reconsider their rates with a view to adjusting them to the rapidly increasing cost of living.

With the passage of time, consultation between the Boards and the Ministry has become increasingly free. This means that before taking an unusual step a Board, through the secretary of Trade Boards, customarily consults Ministry officials to obtain an opinion on its validity and wisdom. Prior to returning a rate for reconsideration it is quite probable, also, that an officer of the Ministry will discuss the factors entering into the Board's decision with the appointed members and perhaps with the leaders of the two sides as well. This mutual consultation, while in no way hampering untrammelled action by either Boards or Ministry, creates a mutuality of understanding tending to curtail the necessity for frequent reconsideration of rates. On the whole the records show that the Minister has used this power sparingly, doubtless in the effort to conform to the spirit as well as to the letter of the law.

² For details of cases in which rates were referred back to a Trade Board before 1922, see Cave Committee Evidence, p. 85.

Grounds for returning rates to a Trade Board. When the Minister of Labour returns the minimum rates fixed by a Trade Board for reconsideration, a criticism of the rates is not only implied but, since 1922, it has become customary for the Minister to state his reasons for failure to confirm the rates.⁸ The grounds upon which rates are referred back to the Boards fall in three broad categories:

1. Cases in which the procedure of a Trade Board is technically incorrect and in which confirmation would therefore be *ultra vires*.

2. Cases in which the Minister is not convinced that sufficient weight has been given to the views of a minority of the trade either on or off the Board.

3. Cases in which the Minister considers that confirmation would cause hardships to the trade generally or to the community.

Cases of the first order obviously arise out of inexperience or perhaps failure adequately to instruct a Trade Board with regard to its legal duties. Those belonging to the second class might result when rates were fixed by a vote of the appointed members and one side against the opposition of the other side, or when the Board was not fairly representative of a minority group, or from failure to give sufficient weight to objections. Again, such cases might be caused by insufficient knowledge of conditions in a section of the trade not directly represented upon a Trade Board or from failure of the representative for some section of the trade to grasp the full import of a wage proposal. Should one section of the employers vote with the workers to impose unreasonable rates upon competitors, or should the representatives of organizations upon both sides of a Board combine against the unorganized representatives and the appointed members to fix rates that would destroy the

⁸ For details see annual reports of the Ministry of Labour.

small employers, the Minister might also feel called upon to act. In the third category would fall cases in which the Minister considered that a Trade Board by raising wages too suddenly or too high threatened dislocation of an industry, cases in which he thought a considerable increase in prices or unjustifiable unemployment might result, or cases in which the minima fixed by a Board were so low as to be socially undesirable.

When, after due consideration and investigation, the Minister approves a rate or set of rates he makes a confirming order, at the same time sending notification of this action to the Trade Board concerned. It is then incumbent upon that Board, through the secretary, to prepare a notice setting forth the legal minimum rates determined by the Board and specifying the date upon which they become effective.* The date upon which the rates shall come into force may be and customarily is suggested by the Trade Board fixing the rates. It is possible to arrange that a set of rates shall become operative at some time far in the future. But the practice is to render rates effective at the earliest possible date. As respects individual employers a wage schedule becomes effective at the beginning of the next pay period following the date specified on the notice, provided that the interval between payments does not exceed seven days.

SCOPE OPINIONS

Despite the greatest care in defining each trade covered by a Trade Board and periodic amendment of the definition to meet current changes, the Ministry is constantly called upon to interpret these descriptions as applied to specific cases. Do workers employed in making marabou neckwear, for example, come within the

* See App. A, pp. 342-49, for specimen Trade Board minimum wage order.

scope of the Dressmaking and Women's Light Clothing Trade Board? Are persons engaged in making crimped paper cups for packing chocolates entitled to the minimum rates fixed by the Paper Bag Trade Board? Must persons making the metal plates used on fancy blotter-pads be paid the minimum rate established by the Stamped or Pressed Metals Wares Trade Board? These give a suggestion of the nature of scope questions that have to be answered as they grow out of the minimum wage orders of the Trade Boards.

During the year 1937 a total of 963 separate opinions as to whether a certain worker or certain groups of workers doing certain processes fell within the scope of a certain Trade Board were expressed by the General Department of the Ministry. Such questions arise in the course of inspection of establishments subject to Trade Board wage orders, or as a result of inquiries made to the Ministry by employers and workers concerned. Answering them entails considerable time and constitutes an important part of the Ministry's work. Since scope opinions ordinarily involve questions of both fact and law, often involving more than one Trade Board, it has become customary to consult the Boards concerned in relation to the facts regarding a certain operation and the custom of the trade, while legally trained and impartial persons in the Ministry consider the matter from the angle of law. This arrangement was worked out early in Trade Board history as the settlement of a disagreement between the Boards and the Ministry concerning who should be responsible for answering questions of this nature. Prior to 1920 such matters were referred to its own scope committee by each Trade Board. Decision now rests with the Ministry, after consulting the Board if necessary.

These opinions are given subject to the reservation that authoritative decisions involving interpretation of the acts can be made by the courts only. Questions of scope frequently arise in connection with court proceedings under the acts. But the Ministry's practice of giving interim opinions upon questions of scope as they are raised gives to all parties concerned a basis upon which to work and so lends stability to the operation of the acts. Periodically a confidential mimeographed summary of all opinions given to date is issued for official use. This summary contains a description of the various occupations about which questions have arisen, listing those considered *outside* and *inside* the scope of a Board separately under the names of the different Boards. Opposite each citation is the registered number of the opinion for reference of Ministry officers, and an index is appended to the summary for each trade.

The following table gives the number of scope opinions rendered in each year since 1923.⁵

Year	Number
1923	500
1924	485
1925	875 ^a
1926	932
1927	862
1928	939
1929	1,054
1930	1,082
1931	1,205
1932	1,009
1933	1,026
1934	1,059
1935	1,012
1936	1,002
1937	963

⁵ Compiled from Ministry of Labour Reports.

^a Increase due to increase in number of Trade Board inspections and to revised definition of stamped or pressed metal wares trade.

ENFORCEMENT

Along with determining what trades shall be brought under the Trade Boards Acts and setting up the Boards, enforcement constitutes a most important function of the Ministry. In fact, as a continuing responsibility, enforcement is the Ministry's chief job with respect to the Trade Boards Acts. Enforcement involves three processes: (1) inspection, (2) voluntary settlement in cases of violation, and (3) prosecution. Since the object of the Trade Boards Acts is to insure that every worker within their scope shall receive a wage which representatives of the trade consider a fair minimum wage for that trade, and since the willingness of employers to participate in determination of that wage and to pay it when fixed depends largely upon its being complied with by all employers in the trade, the success of the Trade Boards Acts hinges upon adequate, efficient, and honest enforcement. Unless fearless enforcement can be depended upon, the legislation becomes a farce.

Enforcement policy. The key to Trade Board enforcement policy is found in the use of discretion and in an effort to gain the cooperation of employers. Deliberate violation of the acts, including falsification of records, is dealt with severely. In other cases of infraction a settlement as to arrears is usually arranged by the inspector, and the violator is given another chance. Every effort is made to encourage employers in keeping as clear records as possible, since inadequacy of records increases the cost of enforcement. But the fact that inspectors are regarded as "reasonable" on this point augments good feeling between the employers and the inspectorate.

A further point in connection with enforcement policy

of the Trade Boards Acts is the development of closer cooperation between the inspectorate and the Boards since the debacle of 1921-22. Especially in recent years, a sympathetic understanding between those two functionaries has shown signs of growth. In addition to making verbal reports at the Trade Board meetings, the chief inspector has made a special effort, in so far as practicable, to work out inspection plans for each trade in cooperation with its Trade Board. This not only makes for more effective enforcement and internal harmony but marks a distant advance in democratic administration that deserves attention.

No attempt is made to secure 100 per cent annual inspection. This would be both impossible and unnecessary. Whereas in 1922 about 2 per cent of the establishments coming under the acts were covered in a year, the percentage is now approximately 20. This means that every establishment subject to the Trade Boards Acts is inspected once in five years as compared with once in about eighteen months for establishments coming under the Factories Act. That it is possible to secure satisfactory compliance with the Trade Boards Acts on this basis is largely due to the fact that both employers and workers participate in rate fixing and so take a personal interest in compliance. If compliance is found to be particularly lax in one or more Trade Board trades, special attention is given to those trades until normal observance is secured. A minimum of 22½ per cent inspection is now set for one industry, 15 per cent for another, and 18 per cent for a third, depending upon the conditions in each. But a larger percentage is actually achieved and the minimum quotas are varied from year to year as conditions require.

Inspection organization. Inspection, enforcement, and also special inquiries or research are dealt with by the chief inspector's office in the Trade Boards branch of the Ministry of Labour.⁷ The chief inspector is responsible for the policy adopted in connection with this work. He recommends cases for prosecution subject to the legal advice of the Ministry Solicitor and prepares an annual report on enforcement of the Trade Boards Acts, besides attending most of the Trade Board meetings for the purpose of making personal reports on inspection. Assisted by his deputy and the two second-class officers in the London office he also deals with matters regarding inspection and enforcement referred to the headquarters office from the divisional offices which are under his general supervision. The first-class officer who acts in the capacity of a deputy chief inspector takes care of the more difficult cases, submitting written reports to the senior divisional officers concerned. In addition he investigates special technical matters as required, preparing memoranda thereon. The third-class officer does statistical work, among other things preparing the figures contained in the annual report from returns of the inspectors and preparing an inspection program for each year by which quotas for inspection are assigned to each divisional office.

Nine district offices of the Trade Boards inspection division have been established for inspection purposes. Seven of these are located in important industrial centers of England; one is in Scotland; and one is in Wales.⁸ First-class officers of the Civil Service, two of whom are women, are in charge of the divisional offices, except that in Wales. A deputy and one or two other second-class

⁷ See chart, p. 80.

⁸ See App. A, p. 363, for list of divisional offices.

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officers are also stationed in all but two of these centers. In Wales a second-class officer is in charge. Three of the seven deputies are women. From one to six third-class officers and from two to six lower grade officers and clerks are also assigned to each district office, depending upon the number of establishments and workers subject to Trade Board orders in that district.

Altogether 62 persons are now engaged as full-time Trade Board inspectors to cover some 1,136,000 workers. This represents a marked improvement over 1920 when 17 full-time inspectors, 6 of whom were under training, and a varying number of part-time unemployment insurance inspectors from a pool were employed to deal with a somewhat larger number of workers⁹ then estimated as falling within the purview of the acts. With the increasing burden of inspection incident to formation of many new Trade Boards in 1919 and 1920 the number of inspectors was augmented so that in 1922 the full-time staff comprised 36 persons. In 1923 the inspection service was decentralized, six area offices being established in place of the two previously in existence. The total inspection staff was then further increased to 40, of which 29 were employed on a permanent full-time basis, 11 being on loan. During the next ten years the corps of inspectors was gradually increased until the number reached 72 in 1933. A general governmental policy of retrenchment growing of the depression resulted in the number's being subsequently cut to the present 62, exclusive of supervisory officers.

⁹ The decline in the number of workers in spite of the greater number of industries covered by Trade Boards is due chiefly to three factors: (1) withdrawal of nineteen Irish boards; (2) clearing from the lists all establishments that were later found to fall outside the scope of the acts; and (3) curtailment of employment resulting from general trade depression and increased mechanization of industry.

The work of inspectors. It is chiefly through the inspectors that employers come into contact with the Trade Boards Acts. Violations of the acts are often difficult to detect. The wage schedules are frequently complex, including both time- and piece-rates applicable to workers of different sexes, ages, occupations, and experience. The methods of determining whether the legal rate is being paid are intricate. And the records from which information has to be obtained not frequently prove difficult to decipher. In the course of their duties inspectors sometimes come up against employers with whom it is not easy to deal. A competent officer consequently requires a high degree of intelligence, integrity, and patience, and the gift of human understanding in addition to knowledge of the peculiar technique involved in detecting violations of the Trade Boards Acts.

The work of the inspectors can be divided into four categories: (1) non-compliance inspection; (2) investigation of permit applications; (3) special inquiries; (4) appearance as witnesses in connection with legal proceedings. In addition to these duties, inspectors are sometimes called upon to obtain the facts required for settling a question of scope; to suggest, interview, and report upon possible members for Trade Boards; to record needed alterations in the definition of various trades; to explain the acts to employers and workers; to suggest changes in the methods of operating establishments which will facilitate adherence to the legal rates; and to take account of how the rates are working in particular trades, areas, occupation groups, and types of establishment. For these purposes inspectors are empowered to enter premises, to examine wage books, to interrogate workers, and to take proceedings in cases where there is

violation of the acts.¹⁰ In the interest of efficient operation close cooperation between the inspectorate and the Boards is also imperative.

Many of those now on the inspection staff are well seasoned by the experience of years. A small number of the present staff was chosen directly from among those passing examinations for the Civil Service. Others have been promoted from the Employment Department where they had previous experience as inspectors. Upon entering Trade Board work they received further training on the job by working along with experienced Trade Board inspectors. When the staff was expanded after passage of the amending act, a short period of training at headquarters was ordinarily required before commencing training on the job. Some persons who had had experience elsewhere, however, were immediately allowed to handle simple cases alone, though, of course, under supervision. For a time the Ministry maintained an inspection pool from which the different departments drew whatever help was required for the period that it was needed. But this plan has long since been abandoned as unworkable.

Trade Board lists. Inspection work is organized on the basis of the Trade Board lists. Each inspection division keeps a card catalogue of all establishments within its boundaries for each industry to which the Trade Boards Acts apply. This list is built up from names of establishments supplied by the headquarters office. When a new Trade Board is constituted, a tentative list of all the businesses coming under the minimum wage orders is immediately prepared. Names of establishments covered by each Board are originally secured from the Home Office

¹⁰ Sec. 15-17, 1909.

factory inspection lists, from other government departments having information of this kind, from trade and industrial directories, perhaps from employers' associations or trade unions, from information collected in the course of preliminary investigations by the Ministry itself, and from any other available sources. This tentative list is amended from time to time after the Trade Board rates come into operation. The Home Office periodically supplies names of new establishments added to their lists and of defunct businesses to be eliminated. Inspectors report the names of new plants discovered or of those which they are unable to locate on their rounds. In these ways the lists are kept more or less up to date. On the whole, elimination of defunct establishments is more difficult than the addition of new names and is the source of considerable trouble, expense, and waste of time which is apparently unavoidable.

Every notice issued by a Trade Board is sent to all employers on the list at the time of its issue. The postal authorities certify all parcels containing such orders at the time of posting. The employer is then held to have received it and is responsible for complying with its provisions. The poster notices are large, the largest currently applicable measuring 30 by 40 inches, the smallest 15 by 22 inches. Often several such notices require to be posted at the same time. In the past, employers were prone to complain about the size of the posters but over a period of years have become accustomed to them.

The number of establishments on Trade Board lists has gradually declined through the years, largely as a result of amalgamation of firms and of elimination from the lists of many firms which have been found not to be affected by the minimum rates. The total number of

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establishments on Trade Board lists on December 31 from 1930 to 1937 was:¹¹

Year	Number of Establishments
1930	95,309
1931	92,946
1932	92,173
1933	91,946
1934	92,858
1935	91,297
1936	89,148
1937	85,272

The estimated number of workers found in inspected establishments in 1935, not including those unemployed, was 1,068,500. These persons were divided among the different parts of Great Britain as follows: England, 945,000; Scotland, 108,000; Wales, 15,500. In 1935 the estimated number of persons normally seeking employment in occupations within the scope of Trade Boards minimum wage rates was 1,135,870.¹² If the workers outside the scope of the minimum rates are taken into account, the total number of workers in Trade Board trades may now be about 1,350,000.

Inspection methods and records. At the beginning of each year a program of inspection for the next twelve months is prepared by the chief inspector's office. The total number of establishments to be covered during that year and the quota for each division in each trade is specified. The senior inspector in charge of each divisional office then prepares individual quotas of work for each inspector in his district using the lists of employers in the Trade Board trades for that division.

In most divisions each inspector is assigned a definite

¹¹ Compiled from Ministry of Labour Reports.

¹² For table showing number of establishments and of workers and approximate percentage of females, by trades, see App. A, p. 366.

area within which his work shall fall. Maximum efficiency is encouraged by giving inspectors as wide a range of work as is consistent with the general scheme of organization and the confines of his division, even allowing for some work to be done in town, country, and suburban areas, as well as among different industries and types of establishment. Within the limits of his area and general assignment and subject to the priority of complaints which are usually turned over to the more experienced officers, each inspector is free to arrange his work in the most economical manner which his intimate knowledge of the area suggests.

Though complaints receive first and special treatment, routine inspection consumes the greater part of the time. As a convenient method of keeping records, the name of every employer on the divisional lists is entered on an envelope form (5½ by 7 inches) upon the face of which headings are printed for entry of all information to complete the inspection and to present a summary inspection report for that firm.¹⁸ References to former records or papers relating to the firm are also entered on the current envelope report form. The envelopes for all firms subject to the acts in the district are assembled in order according to streets grouped in relation to the arterial roads of London and the big towns. In country areas they are arranged in the order in which the firms may be reached from the main highways, as inspectors generally use their own cars on a mileage allowance. The envelopes belonging to each inspector's area are filed in a separate drawer, a key index making it possible to trace any envelope and a record being kept for all envelopes removed. When starting on his day's or week's work an inspector takes a group of envelopes from the file

¹⁸ See App. A, pp. 364-65, for copy of form used.

drawer. Upon these he finds the names and addresses of the establishments he is to visit arranged in the order in which he will encounter them on the ground.

After completing the inspection of each firm the inspector fills out the report provided for on the face of the envelope, places his working sheets and other documents arising out of the inspection in the envelope, and passes it, with a weekly progress report of the day-to-day visits, to the clerical staff. When the circumstances of the inspection demand either fuller information or action by the senior officer or by the headquarters office, a full narrative report is made by the inspector. If the case is urgent this report is submitted in advance of the regular weekly report.

On receiving the regular envelope report from the inspector, a member of the clerical staff performs any duties directed by the inspector—such as amending the name or address of the employer, sending poster notices or forms—and affixes a colored tab to the envelope to indicate the cycle in which the inspection was made. If necessary, the envelope is then submitted to the senior officer for his endorsement and, after the statistical information required by the headquarters office for the annual report has been extracted, it is returned to the inspector's file drawer. The inspector can then tell at a glance how inspection in his area is proceeding for the cycle in progress.

At the end of the month each divisional office makes a report to the headquarters office showing the status of work for each inspector. From these reports it is possible for the head of the division to see how the yearly program is proceeding and to determine whether modifications or additional assistance will be required. Toward the end of the year it may be necessary to make special

arrangements in order to cover the stipulated number of firms in certain industries where the quota has not been reached in the ordinary course of inspection work. At about this time the chief inspector also reviews the position from the point of view of the country as a whole and may as a result issue instructions modifying the requirements previously set for some or all of the divisions.

*Offenses under the Trade Boards Acts.*¹⁴ The major offenses under the acts for which employers are liable include:

1. Failure to pay the legal minimum rates of wages as determined by the Trade Boards and confirmed by the Minister of Labour, the burden of proof that less than such rates has not been paid resting with the employer.
2. Failure to post notices in a conspicuous place.
3. Failure to keep adequate records of wages paid and of time worked.
4. Breach of the conditions upon which permits of exemption have been issued.
5. Failure to register apprentices or learners.
6. Failure to give effective instruction to learners or to comply with other conditions specified by a Trade Board.
7. Giving false information or producing fraudulent records.

Employers are also forbidden by the acts to:

1. Make deductions other than those under the Insurance Act or similar acts, but not including the Truck Acts if they bring the rates below the legal minima.
2. "Contract out" any agreement for the payment of wages in contravention of this provision.
3. Receive premiums in respect of an apprentice or learner, except a premium under an instrument of apprenticeship made within four weeks after beginning employment.
4. Pay less than the applicable minimum rate to homeworkers, exclusive of deductions for expenditures in connection with their work.

¹⁴ For table giving summary of offenses under the acts, see App. A, p. 367.

5. Exclude "waiting time" in calculation of time or piece wages due a worker except under special circumstances.

6. Obstruct inspectors in the performance of their duties under the acts.

Non-compliance inspection. On entering the premises of an employer subject to the acts, it is the business of a Trade Board inspector to see that all current Trade Board notices are affixed in a conspicuous place so that they will be seen by every worker. If an establishment is subject to the regulations of several Trade Boards, as not infrequently happens, the notices of these different Boards must be posted.

It is the chief job of an inspector, however, to assure himself that the legal minimum rates of wages are being paid to all workers coming within the scope of the applicable Trade Board definition. Inspection under the Trade Boards Acts is made in two ways: (1) on complaint, and (2) as a routine procedure. In 1937 about 8 per cent of the total Trade Board inspections were based on complaints, the remaining 92 per cent for the year being routine. Though a certain number of the complaints are found on investigation to be groundless, complaint inspections on the whole give greater results for the money spent. Complaints usually originate with a worker and are sent by a trade union often direct to the Ministry. A few emanate from employers who are being undercut. In all cases great care is taken not to reveal the origin of complaints in order to avoid victimization.

As most of the wage schedules prescribe a variety of minimum rates applying to workers of different grades, classes, and occupations as well as to each of the two sexes and sometimes to different areas, the task of inspection is far from simple. Though the lay person would soon become lost in a maze of rates, the trained inspec-

tor fairly easily finds his way through, even when the books are badly kept and scrappy. To satisfy himself that everything is in good order, however, may require several days of hard labor, even several weeks in the larger establishments.

An inspector must also satisfy himself that workers earning less than the general minimum time-rate are not exempt from such payment by virtue of a permit issued by the Board. For every worker who is clearly underpaid the difference between the amount actually received and the amount due at the legal minimum rate is then figured. Since arrears may be collected in a court of law covering the two years previous to the time when the information is laid, the inspector normally calculates the arrears due to each worker for this period.

So long as workers are on a time basis the job of inspection is relatively simple. Even when a Board has established general minimum piece-rates it may be necessary to question only a few workers to discover whether the legal rates are being paid. Thus piece-rate scales help to simplify inspection even when the number of rates runs into the hundreds, as it does in one or two Trade Board schedules. But when an employer pays his workers on a piece basis and the Board has fixed a general minimum time-rate and/or a piecework basis time-rate, but no general minimum piece-rates or special minimum piece-rates, inspection becomes more complicated. Under these circumstances an employer is, in the words of the acts, deemed to be paying less than the minimum rate "unless he shows that the piece-rates paid would yield, in the circumstances of the case, to an ordinary worker, at least the same amount of money as the basis rate." That is to say that all pieceworkers are entitled to receive at least as much per piece as will yield the amount of the general minimum time-rate, or of the

piecework basis time-rate, if one has been fixed, to the ordinary worker. And the employer is responsible for proving that he is complying with this requirement.

For the purpose of the acts, an "ordinary worker" is usually interpreted to mean a worker of normal skill in the class of work in question. But it is necessary to discover exactly who the "ordinary" worker is in order to find whether the piece-rates in question are yielding her or him the general minimum time- or piece-work basis rate. This is determined by computing the yield per hour to each of the workers, determined from their earnings and hours over a period of perhaps four weeks. The worker who proves next above the sub-ordinary workers in earning capacity is considered the "ordinary" worker for that class of work. The inspector can thus determine whether or not the existing piece-rates appear to yield the basis rate to the ordinary worker.¹⁵

It may happen that the ordinary worker in one plant is not as productive as the ordinary worker in another, so that in one establishment a worker earns an amount equivalent to the basis rate, while in another a worker of equal ability doing the same job, having the same hours, and being paid the same piece price fails to earn the prescribed basis rate. In such a case the inspector searches for the cause. The discrepancy may be directly traceable to a single maladjustment, for example bad gearing of machinery. A combination of circumstances may be at the bottom of it, or simply bad management. Perhaps the work is not distributed properly; one plant may have an automatic conveyor while the workers carry their work in another; the morale may be better in one shop than the other. Any of a myriad of circumstances might

¹⁵ For further details with regard to the technique of discovering who is the "ordinary worker," see Dorothy Sells, *The British Trade Boards System*, pp. 37-39.

be the cause, and these are termed the "circumstances of the case."

When such a test has been applied and the piece-rate fails to meet the legal standard, one of two courses is open to the employer. He may either alter his piece-rates so that the yield will be sufficient, or he may reorganize his plant in such respects as will enable his pieceworkers to earn the required amount, that is, alter the "circumstances of the case." It is often possible to make suggestions to an employer, which, if accepted, will immediately increase the yield without alteration of his piece-rate schedule. And once the piece-rates are adjusted to a given time-rate yield, they can usually be readjusted to meet changes in the basis rate without much difficulty. New types of work will, of course, necessitate fresh calculations.

There are both advantages and disadvantages in these arrangements. From the employers' angle this method of determining the minimum standard for piecework is advantageous in that it gives a certain elasticity to piece-rate fixing and that it tends to improve management. From the workers' point of view its advantage lies in preventing unemployment among sub-marginal workers at the same time that the average worker is insured as much as the minimum time-rate. The greatest difficulty to the employer grows out of the fact that he is never quite sure that his piece-rates are adequate until an examination of this type has been made. If he makes one himself the results may not check with those obtained by an inspector. On this account, some scrupulous employers have requested the assistance of an inspector outside the routine of regular inspection. It is also possible that an establishment may employ a generally inefficient type of worker, so that there is no group of "ordinary" workers in the absolute sense.

The alternatives to this method of arriving at a solution of the pieceworker problem are: (1) to prescribe general minimum piece-rates; (2) to provide that *all* able-bodied pieceworkers must earn as much as the appropriate basis rate; (3) to specify that an arbitrary percentage of pieceworkers, for example 50 or 75 per cent, shall earn that amount or more; or (4) to provide that workers dissatisfied with their piece-rates may upon complaint have the case investigated. ✓

The first of these methods has been adopted by most of the British Trade Boards in essentially piecework trades such as boot and shoe repairing, brush and broom, fur dressing, and thirteen other trades, but is not generally looked upon with favor by administrators in other countries. The second offers no elasticity whatever and takes no cognizance of slow workers to whom the employers would be obliged to make up the difference between what they earned and what the rate required at the end of each week. It would tend to displace the least efficient workers if not to cause unemployment. This is the requirement of most of the state minimum wage laws in the United States, though exemptions for incapacitated workers are allowed. The third method has been used in the canning industry of California where it is required that 50 per cent of the workers shall receive the minimum rate of wages. It is purely arbitrary and means that a certain percentage of workers will always receive less than the prescribed minimum. The fourth method is employed by the British Agricultural Wages (Regulation) Acts. But it is seldom invoked because it places the initiative for seeing that payment is adequate upon the individual worker instead of upon the state. Generally more satisfactory than any of these methods, except perhaps the first, appears the rather circuitous method adopted by the majority of the British Trade

Boards. At least it has withstood the test of twenty years of experience.

Other Trade Board inspection work. In going through the wage books many questions of scope are bound to arise. Does this or that worker come within the official definition? Inspectors are not authorized to hazard an opinion in matters involving interpretation of the description of an industry. Such questions are tentatively answered by the Ministry in cooperation with the Trade Board concerned. But it is the inspector's responsibility to gather such technical information on the spot as will throw light upon solution of the problem by the proper authorities.

Questions regarding waiting time may also arise in calculating the amount of wages payable to workers employed in work for which a minimum rate of wages has been fixed and require investigation by the inspector. On this point the act specifies (sec. 8, 1918) that such workers shall be treated as employed during all the time that they are present on the premises of the employer unless they are there without his consent or for some purpose unconnected with their work other than waiting for work. If a worker is employed on piecework, he is to be paid for all the time spent on the premises when he is not engaged in piecework at the general minimum time-rate applicable to workers of his class; but if he resides on the premises and is there only because he is a resident or if he is present during normal meal hours in a room where no work is being done, he is not considered employed and is therefore entitled neither to the piece-rate nor to the general minimum time-rate.

In some cases the Trade Board inspectors investigate the cases for which permits of exemption from payment of the minimum rates has been requested while in other cases the members of the Board do this work, depend-

ing upon what the individual Boards prefer. This work involves obtaining details about the worker's disability and an estimate of what would be a reasonable wage in the circumstances.

Compliance. On the whole there is very little deliberate violation of the legal minimum rates in Great Britain. This is due on the one hand to the cooperative attitude of the inspectorate; on the other it is the result of the traditionally compliant attitude of employers who, irrespective of whether they like a law, set out to find ways which will enable them to obey it without loss, instead of calling upon their lawyers to devise safe means of evasion. Based upon 1937 inspection results, just over 3 per cent of the estimated total number of workers found in inspected establishments were underpaid. Of the 6,771 workers to whom arrears were paid in 1937 a good 60 per cent were receiving over 90 per cent of the legal minimum rate to which they were entitled before arrears were claimed, a little less than 30 per cent were being paid 76 to 90 per cent of the legal rate, while 1.3 per cent received less than 50 per cent of what they should have been paid.¹⁶

Even among homeworkers, inspectors report relatively little difficulty either with detecting violations of the acts or with attempts on the part of employers to evade. On this point a recent study of London industries made by the London School of Economics offers further reassurance in the following words:

That the event has not justified the fears once widely entertained lest the fixing of minimum wages for sweated workers should lead either to wholesale evasion or to the narrowing of the field of employment is largely due to the method of procedure which is so framed as to assist the parties concerned to

¹⁶ For details see table on pp. 232-33 and *Ministry of Labour Report*, 1937, pp. 122-23.

arrive at minimum rates suited to industrial conditions rather than to impose rates by outside authority on an unwilling trade.¹⁷

The only three trades in which the amount of arrears paid to homeworkers indicates serious violation of the acts are retail bespoke (custom) tailoring (England and Wales), which has always been one of the strongholds of homework; toy making, which is a relatively new trade in England; and cutlery, which has recently come under a Trade Board. In other trades such as chain making, lace finishing, paper box and paper bag making, pin, hook, and eye manufacture, button making, shirt making and dressmaking, where homework has been traditional and in which Trade Boards were established primarily to deal with this problem, the infractions are now negligible owing chiefly, no doubt, to the diminution of homework in those trades.

The degree of observance does depend to a considerable extent, however, both upon the nature of the trade and the condition under which it is carried on. Over 15 per cent of all the workers to whom arrears were paid in 1937, for example, belonged to the milk distributive trade in England and Wales and the amount of arrears paid them represented one-third of the total amount of arrears paid to workers in the Trade Board trades during that year, though the total number of workers employed in the trade was only about 7 per cent of all workers covered by the acts. The average amount of arrears per worker paid in this trade was also greater than in any other except aerated waters, which employs less than 1 per cent of the total Trade Board workers.

¹⁷ London School of Economics and Political Science, *The New Survey of London Life and Labour* (P. S. King & Son, Ltd., 1931), Vol. II, p. 40.

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In general the trades where violation of the acts is most common are those belonging to the distributive, service, and retail making-up groups in which establishments are widely scattered throughout the country and in which small establishments prevail. In trades like chain making and lace finishing, for example, which are concentrated in a single town or district, compliance is relatively good even though they are homework industries. The most serious infraction as measured by the average amount of arrears paid per worker, however, occurred chiefly in other trades.

The accompanying table gives details regarding the first six Boards in order of the number of workers to

NUMBER OF ESTABLISHMENTS ON TRADE BOARD LISTS, ARREARS PAID, AND NUMBER OF INSPECTIONS MADE, 1937*

Board	Number Workers to Whom Paid	Total Number of Establishments on Trade Board Lists December 1937	Number of Establishments Paying Arrears	Amount of Arrears Paid (In pounds)	Total Number of Inspections Made
Milk distributive (England and Wales).....	1,032	12,962	460	10,350½	3,136
Dressmaking and women's light clothing (England and Wales).....	640	10,877	273	2,364½	2,418
Ready-made and wholesale bespoke tailoring.....	625	5,901	156	2,716½	1,290
Laundry.....	533	6,453	146	1,159	1,419
Wholesale mantle and costume.....	456	4,138	124	1,457	881
Retail bespoke tailoring (England and Wales).....	362	8,558	192	1,361½	1,801
Total.....	3,648	48,889	1,351	19,409	10,945
Grand total for 47 trades	6,771	85,272	2,229	30,896½	18,842

* Compiled from *Ministry of Labour Report, 1937*, pp. 122-25.

whom arrears were paid. These six include four of the ten Boards covering trades belonging to the distributive, service, or retail making-up industries.

The amount of arrears paid by employers coming under these six Boards during 1937 represented about

63 per cent of the corresponding total for all Trade Boards. The number of workers receiving arrears from such employers, however, was only 54 per cent of the total number of all workers to whom arrears were paid. Of the total 6,771 workers to whom arrears were paid during 1937 under the Trade Boards Acts, approximately 68 per cent were time workers, the remainder being paid by the piece. This is partly due to the fact that the majority of Trade Board workers are paid on a time basis. From the angle of enforcement, however, piece-rates prove advantageous. Though conditions vary considerably according to the industry, the hardest of all Trade Board rates to enforce are perhaps those for juveniles, especially the rates for learners. The fact that in the past learners customarily worked for nothing, especially in country districts where premiums were often paid for the privilege of learning the trade, largely accounts for non-observance of the rates in a trade like dressmaking, for example. Again arising out of non-conformity with the practice of years, it is the overtime rates which have caused most trouble in agriculture, largely owing to misunderstanding or ignorance.

The following table gives a comparative summary of inspection and enforcement under the Trade Boards Acts for the years 1936 and 1937:¹⁸

	1936	1937
Number of establishments on Trade Board lists.	89,148	85,272
Complaints received	2,028	1,716
Complaints disposed of without inspection....	288	201
Number of establishments inspected.....	17,971	18,665
Number of inspections.....	18,151	18,842
Visits paid for purposes connected with enforcement of the acts	11,722	11,420

¹⁸ *Ministry of Labour Report, 1937, p. 76.*

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	1936	1937
Number of establishments in respect of which arrears of wages were paid.....	2,117	2,229
Arrears of wages paid.....	£24,167½	£30,896½
Number of workers whose wages were examined.....	211,251	216,068
Number of workers to whom arrears of wages were paid.....	5,711	6,771
Number of underpaid workers in receipt of over 90 per cent of minimum rate.....	3,510	4,124

Collection of arrears. Between 1915 and 1920 it was customary for the inspectors themselves to conduct a large proportion of the cases taken into court. But, with the increased number of Trade Boards, this practice has been abandoned in all but a few instances. Inspectors appear as witnesses in cases of prosecution, however, and one of the most important and delicate of their duties is the collection of arrears where no prosecution is instituted. A large part of the total amount of arrears paid to workers each year is collected in this informal manner. Many employers who have inadvertently violated the acts by underpaying certain of their employees are more than glad to settle without action's being taken. And to do so where non-compliance is not willful makes for good feeling and general cooperation between the trade and the Minister. The largest amount of arrears of wages obtained by the department in any one case without court action was £2,422 while in several cases the amount secured was in the neighborhood of £2,000.

Prosecution. It is the policy of the Ministry of Labour to prosecute only the more serious cases of violation of the acts. In other cases arrears are collected and the violator warned if it is a first offense. On a second offense more drastic action is taken. By the terms of the Trade Boards Acts criminal proceedings may be taken against an employer for failure to pay the established minimum

wage. Where a case of violation is proved the court may order payment of arrears,¹⁹ in addition to fines. For each offense against the Trade Boards Acts an employer is liable to a penalty not exceeding £20. He is also subject to a fine not exceeding £5 for each day on which the offense is continued after conviction. But under the Agricultural Wages Act a convicted employer can be fined no more than £1 per day for continuing an offense, in addition to the £20 originally imposed for failing to pay the legal rate of wages. Persons to whom arrears of wages are due may sue for recovery by taking civil proceedings or in cases of the refusal or neglect of a worker to do this, the Ministry may institute civil proceedings for recovering the amount due.²⁰ A fine up to £5 may also be required under the Trade Boards Acts for refusing entry to or hindering an inspector or refusing to produce records, and a maximum fine of £20 or imprisonment for not more than three months may be imposed for knowingly furnishing false records or information.²¹

The largest amount of penalties, excluding costs, ever imposed upon any employer by a police court for violation of the Trade Boards Acts is £200. The largest amount of arrears of wages paid by an individual employer under order of a criminal court is £400 and under order of a civil court £402. In a number of cases terms of imprisonment have been imposed. The penalties and arrears frequently mount high considering the size of the firm involved, though the total number of prosecutions in any one year is astonishingly small. This perhaps explains the striking fact that so high a degree of

¹⁹ Sec. 6, 1909.

²⁰ Sec. 9 (1) and (2), 1918.

²¹ Sec. 15 (2), 1909.

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compliance can be secured with so few prosecutions.

The accompanying table gives the number of prosecutions instituted for each year since 1923. These figures

NUMBER OF PROSECUTIONS INSTITUTED UNDER THE TRADE BOARDS ACTS
OF 1909 AND 1918, 1923-37*

Year	Number of Criminal Cases	Number of Civil Cases
1923.....	17	Combined with 1924
1924.....	19	
1925.....	27	
1926.....	67	
1927.....	50	
1928.....	42	3
1929.....	98	1
1930.....	79	0
1931.....	33	0
1932.....	35	2
1933.....	24	0
1934.....	40	0
1935.....	28	0
1936.....	19	0
1937.....	17	4

* Compiled from Ministry of Labour Reports.

suggest that the Ministry is inclined to prosecute more vigorously in a period of relative prosperity than during years of slack trade. Though there is doubtless more evasion in depressed periods, relentless enforcement in such times might cause unemployment and hardship that would tend to undermine the acts or bring the minimum wage rates down. In fact a tolerant enforcement policy adjusted to economic conditions may offer one explanation of the extraordinary stability which Trade Board wage rates show during the last decade.

During the trade slump of the early twenties the Minister was severely criticized for a lax attitude towards enforcement. His failure in this respect constituted one of the major issues in the internal Trade Board crisis of 1921-22. With the trough of that depression past,

however, and a revision of general Trade Board policy, a much stricter enforcement program was adopted in order to improve the general level of compliance with the Trade Boards Acts. This explains the sudden jump in the number of prosecutions in 1926. During the relatively prosperous years 1926-30 a strong enforcement policy reached its peak. But when the trough of another depression arrived in 1931, the number of prosecutions suddenly dropped. With an upswing in business the number of prosecutions rose again in 1934 while a general and marked rise in wage rates occurring in 1935-37 was probably reflected in a higher degree of compliance with Trade Board rates, thus rendering fewer prosecutions necessary during those years. In such an interpretation of the figures is revealed the lines of a tolerant, humane, and realistic enforcement policy which has increasingly characterized the administration of the Trade Boards Acts under the Ministry of Labour. In contrast with the alternative "do or die" attitude of the reformist which might have been adopted, this reasonable policy has the advantage of preserving the continuity of the Trade Boards Acts, at the same time keeping the minimum rates at a level from which they can move on a new cycle upward with improved business conditions.

Enforcement under the Agricultural Wages (Regulation) Act, 1924. Enforcement of the minimum wage rates in agricultural pursuits has resulted in some departures from Trade Board experience with regard to both problems and techniques. These differences have arisen largely out of two fundamental differences with which those enforcing the act are faced. The first of these revolves about the psychology of the farm employer and the second has to do with the decentraliza-

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tion of farming. The farmer is naturally individualistic. Even more than the industrial employer he resents having his business interfered with. Moreover, farmers are less accustomed to legislative regulation than industrial employers. The average farmer may therefore be

NUMBER OF COMPLAINTS RECEIVED, AMOUNT OF ARREARS OF WAGES RECOVERED, AND NUMBER OF PROSECUTIONS INSTITUTED UNDER THE AGRICULTURAL WAGES (REGULATION) ACT OF 1924, 1925-37*

Year Ending September 30	Number of Complaints Received	Arrears of Wages Recovered during the Period (In pounds)		Prosecutions Instituted under Section 7 (1) of the Act
		As a Result of Specific Complaints	As a Result of "Test Inspections"	
1925.....	876	850	—	17
1926.....	1,626	5,850	298	82
1927.....	1,988	11,490	1,930	98
1928.....	2,195	10,373	1,539	90
1929.....	2,234	11,001	1,425	97
1930.....	2,822	14,589	3,950	176
1931.....	2,616	10,897	5,713	135
1932.....	2,900	9,933	2,091	63
1933.....	3,169	10,015	631	66
1934.....	3,340	11,596	904	63
1935.....	3,588	15,594	1,241	79
1936.....	3,705	14,020	1,707	93
1937.....	3,733	14,215	1,971	106
Total.....	34,792	140,423	23,400	1,165

* Agricultural Wages Report, 1937, p. 8.

predisposed to a less cooperative attitude in relation to observing the minimum wage rates. The wide dispersion of farming on the other hand has rendered education of farmers as to provisions of the acts and the contents of wage orders extremely difficult, making satisfactory inspection costly. The dispersion of farm workers is also a factor in greater contravention of the legal minimum wage requirements and therefore of larger collections of arrears and more prosecutions in proportion

to the number of workers involved than under the Trade Boards Acts. The table on page 237 and the one below give a summary of enforcement since the Agricultural Wages (Regulation) Act came into force, which substantiates this statement.

NUMBER OF CASES PROSECUTED, AMOUNT OF FINES AND COSTS IMPOSED, AMOUNT OF ARREARS OF WAGES ORDERED, AND THE NUMBER OF WORKERS CONCERNED UNDER THE AGRICULTURAL WAGES (REGULATION) ACT OF 1924, 1925-37*

Year Ending September 30	Number of Cases	Fines			Costs			Arrears of Wages Ordered			Number of Workers Concerned
		£	s.	d.	£	s.	d.	£	s.	d.	
1925....	17	41	10	6	31	2	8	110	7	4	28
1926....	82	302	8	0	116	7	4	1,456	17	1	192
1927....	98	234	9	0	134	16	0	2,053	5	6	193
1928....	90	341	16	2	140	17	2	2,052	17	5	169
1929....	97	258	13	0	114	17	0	2,046	15	8	196
1930....	176	229	12	6	122	10	2	2,934	14	2	257
1931....	135	210	18	6	110	2	8	2,273	0	3	206
1932....	63	160	13	6	46	19	6	1,115	2	8	102
1933....	66	201	5	6	55	13	11	1,239	4	2	111
1934....	63	169	5	0	52	10	0	1,187	2	9	94
1935....	79	215	12	0	57	2	2	1,552	2	11	128
1936....	93	251	4	0	71	1	2	2,232	15	4	151
1937....	106	450	10	0	88	11	11	2,771	8	6	177

* Agricultural Wages Report, 1937, p. 9.

From the table on page 237 it will be noted that the number of complaints has almost steadily increased since the act came into effect. This is to be taken as an indication that workers are becoming better acquainted with their rights under the act rather than that the amount of contravention has increased. The marked increase in number of prosecutions in 1930 and 1931 is due to employment of a special corps of extra inspectors resulting from a question raised in the House of Commons regarding inadequacy of inspection in 1929.

Three methods of inspection have been used by the Ministry of Agriculture and Fisheries: (1) inspection on complaint, (2) test inspections, (3) intensive inspection drives. The bulk of inspection is done in respect of complaints. Most of the complaints come direct from the workers themselves, though some are sent through their trade unions. A large proportion of complaints is in the form of inquiries and can be disposed of by correspondence. In other cases it is necessary for an inspector to visit the farm. As with the Trade Boards, inspection on complaint yields more in arrears with relatively less cost than other methods. Test inspections are undertaken as surprise visits on farms chosen at random where there is no complaint, but in districts where there is some reason to believe that observance of the orders may be slack. The test method is similar to the routine inspection under the Trade Boards Acts except that an inspector may skip about between industries and places with more facility in a concentrated area and that knowledge of the inspector's presence passes less freely in the city. The method of intensive inspection was adopted only over a period of a year or two. A group of extra inspectors was sent from one area to another in which compliance was reported as unsatisfactory. In each of these districts the inspectors made a farm-to-farm canvass throughout the district. This method removes the fear of workers that they will be victimized on the supposition that they have reported inadequate wages, but the word spreads about that the inspectors are in the district, thus warning the employers of what is to come.

At present the greatest difficulties with regard to enforcement among agricultural employers are connected with payment for overtime at the legal rate and with making employers realize that infirm workers may not

be employed at less than the minimum rate of wages without a permit of exemption from the Agricultural Wages Committee.

For purposes of this act England and Wales are divided into seventeen inspection districts in each of which one inspector is stationed. An additional inspector acts as a relief wherever required and is otherwise employed on test inspections. In addition there is a superintending inspector located in the Ministry of Agriculture and Fisheries within whose purview enforcement falls. All of the inspectors are at present men. A recent revision of the regulations governing appointments, however, opens inspectorships to women as well as men.

RESEARCH OR SPECIAL INQUIRIES

The British are not inclined to make a fetish either of statistics or of research. The practice with regard to Trade Boards has consequently reflected a very practical attitude in this respect. When popular opinion demanded minimum wage legislation in 1907, a competent person was sent to the Antipodes to study and report upon the only such legislation then existing. That report was studied. Without fanfare, legislation was passed incorporating the best features of Victorian wage regulation and those which seemed suited to British psychology and industrial conditions. When the original Trade Boards Act required extension, a government committee was appointed to make recommendations for revision. Both the spirit and the form of these recommendations were in large part embodied in an amending act. When a complex of conditions produced a Trade Board crisis in 1921, a government committee was appointed to investigate the working of the acts. In so far as practicable and necessary these recommendations were put into effect through administrative action.

A similar direct and practical policy has been followed with regard to research and investigation by the Ministry of Labour. With a few exceptions, only operating research in its strict sense has been carried on. And those chosen to do it have been the inspectors who have practical knowledge not only of the working of the Trade Boards Acts but of the different processes, problems, and persons connected with the Trade Board trades. In charge of the special inquiry work is the deputy chief inspector, who was for years one of the department's crack inspectors. The most difficult of these jobs he does himself, deputing others to suitable members of the inspection staff. Most of the problems dealt with have arisen directly out of enforcing or fixing minimum wage rates. The investigation work is therefore intensely practical and often technical in character. The subjects of research fall roughly in five groups, of which the following selected from annual reports of the Ministry of Labour, represent a fair sample:

1. *Conditions of employment:*

Seasonal variations in the hours of work.

Extent of short-time working.

Conditions of employment of "beatsters" (persons employed in mending certain kinds of fishing nets).

2. *Definition and scope:*

Proportion of milk supplied, in sixteen representative towns, by firms employing labor subject to Trade Board minimum rates of wages and by firms not so subject either because no wage earners were employed or because the workers concerned were substantially employed in agriculture, to which the Trade Board Acts do not apply.

Question whether grass boxes for lawn mowers were articles of hollow-ware.

Extent to which various articles not included within the scope of the Made-up Textiles Trade Board were made by firms part of whose work is so included.

Overlap between manufacture of buttons and manufacture from the same materials of articles such as clasps, which were not within the scope of the Button-Making Trade Board.

3. *Effect and yield of various rates:*

Earnings of hessian weavers in the jute trade in Scotland.
Relative yield of piece rates for different sizes of chain in connection with a proposal of the Chain Trade Board to vary general minimum piece-rates in the women's section of the trade.

4. *Juvenile labor:*

Turnover of juvenile labor in the ready-made and wholesale clothing trades.

Facilities for learning afforded juvenile workers in the boot and shoe repairing, paper box, and ready-made and wholesale bespoke tailoring trades.

Possibility of transferring a number of young unemployed workers from distressed mining areas to other localities with the object of receiving technical training in certain branches of tailoring.

5. *Miscellaneous:*

Analyses of the personnel employed in certain trades.

Extent to which knitted fabrics were being used in the dressmaking and women's light clothing trade.

Thickness of metal sheets used in the keg and drum trade in the construction of kegs and drums of various capacities and the processes involved in the manufacture of these articles.

Number of firms engaged in the manufacture of hand-made ropes, and the representation of such firms on the Trade Board.

Effect of the trade depression in relation to the minimum rates fixed by the Flax and Hemp Trade Board in Scotland.

The bulk of these studies was undertaken just after the amendment of the Trade Boards Act when the definitions of new trades were being drawn or revised and

the Trade Boards were fixing their first sets of rates. They usually dealt with the scope of various trades and the yield of piece-rates. Latterly, questions relating to the employment of juveniles and general conditions of work have come to the fore. Occasionally boards now request a special inquiry upon some point developing out of rate determination, especially in connection with drawing up general minimum piece-rate scales. Quite often the secretary of Trade Boards or a Board member is detailed to ferret out the answer to a practical question relating to the variations of minimum rates. In some instances a labor research department or an employers' association will voluntarily prepare pertinent material for a Trade Board, as for example financial statistics concerning the principal firms in a trade for which rates are under consideration.

Though the excellent quality of research now being done and the present practical policy with regard to research both command respect, the weakest spot in the entire Trade Boards system from the American point of view appears to be the failure of the Boards to demand basic factual data to assist in rate determinations. But to the Britisher this criticism is untenable. If the Trade Boards, employing the method of negotiation as they do, arrive at decisions, often by agreement, which command the general assent of the trade, and which are found to be enforceable, why is their failure to proceed on a doctrinaire basis characterized as a mistake, he asks. Besides, when you have secured your facts, what relative weights are you going to give to the various factors which may tend in opposite directions?

CHAPTER IX

THE TRADE BOARDS CRISIS

The original Trade Boards Act was passed in response to deep public indignation over an industrial abuse. It came into operation under favorable and stable economic conditions. Though it departed radically from the legislative and administrative practice of the past, its purpose was clear and its scope limited. The fears of employers who paid sweated wages were soon laid by the deliberate and cautious action of the Trade Boards. In this way serious curtailment of profits and of employment were avoided except in the case of a few marginal businesses, and, with only five Trade Boards in operation administrative problems were also reduced to a minimum before the War.

INTERNAL CONFLICT

Instead of designating a chairman and a secretary for each Board as authorized by the law, the Board of Trade appointed one chairman and one secretary to carry on the business of all the Boards with the aid of a small office and field staff. Between the two capable persons selected to fill these posts all of the administrative work connected with the determination of minimum wage rates was divided. To the secretary were assigned the routine executive duties attendant upon the meetings of the Boards and issuing notices together with the responsibility for obtaining the information and giving the guidance required for performance of a then novel task. In addition to presiding over the Board meetings, the chairman was deputed by the Board of Trade to take charge of inspection and prosecution. In this capacity he super-

vised inspection and recommended cases for prosecution, while the inspectors actually took the court proceedings. When questions regarding the scope of a Board or other technical matters arose, the chairman consulted with the administrative committee of the appropriate Trade Board. Through their chairman the Boards thus virtually controlled enforcement of the minimum rates which they determined, so that the legislative and administrative arms of the bipartite system were in practice united.

By 1917, however, the number of Trade Boards had more than doubled. Under these circumstances it proved impossible for one man to act as chairman of thirteen Trade Boards, at the same time supervising enforcement. The Ministry of Labour, to which the administration of Trade Boards had been transferred in 1916, therefore decided to appoint a separate chairman for each of the different Boards. Supervision of enforcement, including the settlement of scope questions, was placed in the hands of a chief executive officer who also served as joint secretary for all of the Trade Boards. In this way coordination of enforcement was preserved, the Boards at the same time remaining in close touch with it through their secretary instead of through their chairman as theretofore. On matters pertaining to enforcement, however, the executive officer reported to the Ministry, while in his secretarial function he acted as a servant of the Trade Boards. He was thus placed in a dual position which made him the link between the two separated branches of a bipartite organization.

Up to 1920 this arrangement worked satisfactorily. Between 1918 and 1920, however, 14 new Boards were formed under provisions of the amending act, while more than 30 others were projected. Again it became impossible for one man to discharge two sets of duties.

Questions of demarcation and scope also assumed increasing importance with the extension of the system. In the interest of efficiency the Minister determined to withdraw direction of enforcement, including inspection and scope decisions, from supervision of the executive officer of Trade Boards, bringing it within the direct control of his own office, which was located some distance away from the office of Trade Boards. Early in 1920 a letter was sent to the Trade Boards advising them of this decision.

For some months relations between the Boards and the Ministry had been strained. On several occasions the rate schedules fixed by a Trade Board had been returned by the Ministry for reconsideration without confirmation and without reasons. The Boards resented this, and, in view of this experience, interpreted the Minister's peremptory letter as a further and more serious infringement of the legislative powers conferred upon them by the acts. Several of the Boards frankly expressed their disapproval of the Minister's action and requested that he discuss the matter with them. A conflict of ideologies, desire for power, lack of tact, and other personal factors entered into this situation. Thus, a breach between the two sides of the bipartite organization was definitely opened.

EXTERNAL OPPOSITION

Almost coincident with this internal administrative crisis an external legislative crisis also commenced. This was precipitated by conflicting price and wage movements. One of the main purposes of extending the Trade Boards system in 1918 was to prevent a sudden fall in wages following the War. With this end in view the new Trade Boards had fixed their minimum wage scales. But there was no machinery for pegging prices. From

early in 1920, when a sudden fall in wholesale prices occurred, until the middle of 1921, when the peak of Trade Board wage rates was reached, prices and minimum wage rates moved in opposite directions. This conflict was accentuated by the fact that rates of wages in important non-Trade Board trades responded more quickly to the downward course of retail prices which had commenced late in 1920 (see chart on p. 273). Even after a belated downward start Trade Board rates declined less sharply than either prices or rates of wages in uncontrolled industries. Meantime European currencies had suffered severe depreciation to the detriment of the British export industries of which there are a number among the Trade Board trades. And unemployment was on the upgrade.

Irrespective of facts, the blame for the depressed condition, especially in industries where legal minimum wage rates had been recently established, was placed upon the newly established Trade Boards. Deputations of employers in these industries and some others to which the acts were soon to be applied fairly besieged the Ministry of Labour complaining that minimum wage rates were not being reduced with sufficient rapidity to keep pace with declining prices. Columns of certain trade journals went even further in condemning the entire Trade Boards system, while from other quarters demands for repeal were heard.

On their part the workers were for the first time faced with the prospect of a cut in the legal minimum wage rates. Warmly supporting the minimum wage principle, they argued that the lag in wage reductions in a falling market only compensated for the lag in wage increases occurring as prices rose. But they, also, attacked the Minister of Labour for dilatory action in setting up other new and long-promised Trade Boards. As a

protest against this failure, mass meetings were organized and a strong stand was taken in Trade Board meetings in order to hold the wage gains won during the War.

The Ministry of Labour and with it the Trade Boards system was thus attacked both from within and from without. Whether due to appointment of insufficiently representative Boards, to an effort of appointed members to carry out the expressed purpose of the acts, to lack of experience on the part of the Boards, to pressure from a strong trade union movement brought to bear through the workers' representatives on certain Trade Boards, or merely to the inability of these Boards to keep pace with tumbling prices, some of the minimum rates appeared to be excessively high. But the time requirements of the acts made variation of such wage rates impossible in less than three to four months. In an effort to ease the situation and to forestall what might develop into a movement for repeal, the Minister therefore tightened his administrative reins. In a number of cases rates were returned to a Trade Board for reconsideration after a deputation of employers in the trade had represented the rates as too high. In other cases, enforcement of rates already confirmed was abandoned when investigation indicated that they were more than employers could at the moment pay. Questions involving the application of the rates fixed by some Boards were also settled by Ministry officials without consulting members of the Trade Boards who understood the technical ramifications of the trade.

Though partially appeasing employer opposition to Trade Boards legislation, these measures added to the conflict already existing between the Ministry and the Boards. The fact that the office of Trade Boards was located at some distance from the headquarters office of

the Ministry exaggerated the situation by rendering personal contacts and consultation difficult. The Boards considered that such action undermined their autonomy and reduced them to the status of mere advisory bodies. They regarded it as still further encroachment of entrenched governmental bureaucracy upon the rudimentary industrial democracy established by the Trade Boards Act of 1918. In these circumstances complete autonomy seemed the only answer. But the Ministry took the position that the Boards had inherited a distorted conception of their powers from the Board of Trade administration period when, with only a few Trade Boards in operation, economy necessitated doubling up the functions. Inasmuch as the Minister was responsible both for defending the decisions of Trade Boards upon the floor of Parliament and for prosecuting violators of the acts he held that the right to decide who was and who was not covered by the acts, as well as to see that unfair rates were not made obligatory, must be reserved to himself.

THE TRADE BOARDS ADMINISTRATION COMMITTEE REPORT

In accordance with the democratic tradition, however, the Minister received a deputation from the British Trade Boards. And as a result of this face-to-face meeting he appointed a joint committee to recommend means of resolving the controversy. The committee consisted of representatives of the Ministry, of the appointed members of Trade Boards, of workers and of employers sitting upon the Boards, with Mr. Humbert Wolfe, principal assistant secretary to the Ministry of Labour, in charge of Trade Board matters, as chairman.

The problem before the committee was to find a means of unifying the two sides of the bipartite Trade Boards organization, both as to machinery and point of

view. Instead of accepting proposals for establishment of a central Trade Board, or a Trade Boards commission, or designating some existing outside agency like the Industrial Court to serve as a coordinating instrument to which the Boards might also appeal from decisions of the Ministry, this committee presented a practical plan for integrating the system from within. By setting up a permanent Trade Boards advisory body to work directly with the Ministry and by placing responsible officers of the Ministry in the office of Trade Boards it was intended to dovetail the legislative and administrative branches of the organization without destroying its democratic features through domination by a government bureaucracy or impairing its efficiency through lack of focus. And by paving the way for a change in administrative personnel, it was hoped that the psychological atmosphere would be cleared.

With these ends in mind the committee recommended (1) that closer cooperation should be established between the Boards and the Ministry, and as a chief means to its attainment suggested the appointment of a standing advisory committee to be composed of representatives from each of the Trade Boards who should advise the Minister on questions relating to the Trade Boards; (2) that a chief inspector, responsible to the Minister, should be appointed and should be stationed at the office of Trade Boards, one of his duties being to forward full reports of inspection to the Boards at least every three months; (3) that an assistant secretary, as the superior officer of the Ministry in charge of Trade Boards, should be stationed at the office of Trade Boards; (4) that all scope questions should be referred to the secretary of the appropriate Trade Board in the first instance, cases involving trade problems being laid before the administrative committee of the appropriate

Trade Board for advice, but the Minister having final responsibility for the decisions; (5) that the post of chief executive officer and assistant secretaries to the Trade Boards should be continued.

The report was signed in March 1921 by all but one member of the committee, who was a representative of the Minister of Labour. Its general recommendations were also accepted by the Minister of Labour himself. Perhaps owing to the high tension then existing between the Boards and the Ministry, however, and no doubt to considerations of a personal nature, to say nothing of the larger economic issues with which the entire system was then faced, the Minister declined to appoint an assistant secretary to be located in the office of Trade Boards. This the Boards regarded as essential. But they did not relish the idea of a permanent advisory committee, and in view of the Minister's attitude regarding appointment of an assistant secretary, refused to nominate representatives for the advisory body. Except for a few unimportant details, therefore, the recommendations were not then carried out. ✓

THE CAVE COMMITTEE INQUIRY

With complaints from employers increasing as the business depression deepened, and internal dissension growing, the Minister became so harassed that in September 1921 he appointed an "impartial committee" to inquire into the working and effects of the Trade Boards Acts and to recommend what changes were required to deal with both of these problems. Though composed of persons representing different interests and points of view, the committee as a whole may be characterized as distinctly conservative in its outlook.¹ ✓

¹The members of the committee were:
Viscount Cave: Lord Chancellor; formerly Solicitor General and Home Secretary.

This committee, with Viscount Cave, then the Lord Chancellor, acting as chairman, began its hearings in October 1921 and issued a report in April 1922, after having heard 113 witnesses at 27 public sittings including representatives of general associations of employers, of employers' associations connected with specific trades, of general organizations of workers, of trade unions connected with specific trades, of the Cooperative movement, of both sides of the Trade Boards, and also of the appointed members, of the Ministry of Labour, and one former official of the Board of Trade.

The evidence presented to the committee made it clear that the external like the internal issue involved the future of industrial democracy. What opponents of the Trade Boards system asked for was not complete abolition of the minimum wage legislation but modification of the broad legislative powers conferred upon the wages boards by the act of 1918. For the State to protect sweated workers by insuring them a bare subsistence minimum came within its province, in their view, but for wages boards to legislate regarding fair wages in a number of unorganized trades represented government interference. Nor were all of the employers opposed

Lord Weir of Eastwood: managing director of Messrs. G. and J.

Weir, engineering firm of Glasgow; Scottish director of munitions in 1915-16, and general of aircraft production in 1917-18.

Dame Adelaide Anderson: formerly chief woman inspector of factories.

Dame Edith Lytton: author of several novels and an anti-sweating drama.

Mr. J. Bell: secretary of the Oldham Weavers' Association.

Mr. W. T. Layton: editor of the *Economist*; formerly director of the National Federation of Iron and Steel Manufacturers.

Sir Arthur Pease: formerly second Civil Lord of Admiralty.

Mr. E. L. Poulton: chairman of the Parliamentary Committee of the Trades Union Congress in 1921-22.

Mr. A. Pugh: secretary of the Iron and Steel Trades Federation.

Mr. A. MacCallum Scott, M.P.

to the acts as they stood. Though recognizing certain respects in which experience had proved that further amendment was required, most of the employers who had worked longest under the Trade Boards Acts expressed appreciation of their benefits. Indeed the opposition proved on the whole to be much weaker than the public, and the Ministry for that matter, had been led to believe. The bold accusations of the press and of irate deputations for the most part dwindled into feeble personal protests supported by amazingly inadequate facts. Perhaps a half-dozen persons definitely asked for repeal of the acts and one employers' association proposed the substitution of a flat minimum wage applicable to all trades in Great Britain for the wages boards. But the majority of the witnesses for employers centered their attack upon the power of the Boards to determine minimum rates of wages for special classes of workers, at the same time criticizing the administration of the acts in certain details. Without exception the workers presenting testimony favored continuance of the existing acts, with specific amendments or administrative changes to correct the flaws in their operation, as did also the appointed members of the Trade Boards.²

The five main charges made against the Trade Boards system by the representatives of employers were:³ (1) that the high level of the minimum rates fixed by the Boards, together with the absence, in some instances, of any provision for differentiation to meet special local conditions, had caused loss and dislocation of trade,

² As principal assistant secretary to the Minister of Labour in charge of administering the Trade Boards Acts, Mr. Humbert Wolfe gave testimony regarding the history and detailed operation of the acts up to 1922 which is a mine of valuable information for administrators. This is to be found on pp. 1-112 of the Cave Committee Evidence.

³ Cave Committee Report, p. 13.

closing down of workshops, and reduction of staffs, and so had contributed to the prevailing unemployment; (2) that the rates fixed had increased the competition from self-employed persons and had given favorable openings to the foreign producer; (3) that in some trades the rates fixed for juvenile labor had interfered with the recruitment and training of young workers and had jeopardized the future of the trades; (4) that the lines of demarcation laid down in applying the acts to trades, the multiplicity of Boards set up for kindred industries, and the lack of coordination among these Boards had produced unfair competition and had created friction and confusion in traders' establishments; and (5) that the length of time required for revision of the rates when fixed had rendered it impossible to modify wage rates so as to follow the trend of prices and cost of living and so had caused hardships and loss.

In contravention of these charges other witnesses, among whom were representatives of employers, stated with regard to the level of minimum rates and its effect upon trade that the existing industrial unemployment and dislocation were the result of a general economic depression and of other circumstances over which Trade Boards had no control. In the retail clothing trades it was said that owing to increased mechanization the competition of ready-made garments had been making itself felt for many years before the Trade Boards came into operation. It was also suggested that the amount of unemployment in these trades had been exaggerated because the seasonal element was not taken into account. One employer member of the English Dressmaking Board stated, however, that local differences had not been sufficiently considered in fixing the minimum rates. Introduction of machinery was also given as an impor-

tant cause of recent unemployment in the laundry trade.

With regard to foreign competition it was contended that the high and violently fluctuating prices of raw materials rather than the minimum rates of wages constituted the major factor in forcing up prices beyond what both domestic and foreign consumers could pay and so curtailing trade in the jute and flax industries. In relation to unfair competition in the home market by self-employed persons it was pointed out that this existed under any system of wage regulation quite independently of the Trade Boards and was taken into account in determination of minimum rates.

That the rates fixed for juveniles had interfered with the profitable employment of young workers was admitted by both employers' and workers' representatives from the English dressmaking and millinery Trade Boards. They stated, however, that since some employers in these trades were accustomed to engage young workers without payment of any wages or at merely nominal remuneration during the first years of work, any wage, however low, was likely to cause dislocation.

With regard to the confusion alleged to have resulted from Trade Board operation the fact was emphasized that diversity of rates in a single establishment similar to that occurring in some Trade Board trades also existed under voluntary systems of wage regulation. Further to this point, representatives of the Cooperatives testified that different Trade Board minima operated satisfactorily in individual Cooperative establishments. Workers in the distributive trades also presented wage sheets showing that a wide diversity of wage rates existed in a number of establishments not covered by a Trade Board.

Taking into consideration all of the evidence, the

committee concluded that in spite of exaggerations there was some substance in the allegation that some of the Boards had contributed to the volume of trade depression and unemployment.⁴ "Where so many influences have tended to bring about these results," the Report says, "it would be rash to attribute a definite share in them to any particular cause; but unfortunately for the Trade Board system many of the increases in wages settled by the Boards came into operation at a moment when trade was falling, and we are satisfied that in some instances the additional burden so imposed on traders made it difficult for those trades to adjust themselves to the altered conditions."

"On the other hand," the Report continues, "we think it is established that the [Trade Boards] system has had beneficial effects." Among the favorable results of the operation of Trade Boards prior to 1922 are listed the following: (1) abolition of the grosser forms of underpayment, particularly among women workers; (2) regularization of wage conditions in Trade Boards trades; (3) protection of good employers from unscrupulous competitors; (4) improvement in working methods resulting in increased production and increased piecework earnings without increasing the actual piece-rates; (5) encouragement of apprenticeship and sound progressive industrial training for juveniles; (6) improvement of industrial relations; (7) strengthening of organization both among employers and workers.

Notwithstanding the important advantages noted above, the fact that 36 out of the 44 Boards had not yet had time for a fair trial, and the stated unwillingness of the committee in that chaotic period definitely to attribute blame, the Report expresses the opinion that though the Trade Boards system should be retained,

⁴ The same, p. 22.

the time had come for a decision by Parliament as to the conditions under which Trade Boards should be set up and as to their powers and functions when established. To the end of clarifying its position the committee offered 34 recommendations suggesting both legislative and administrative changes.⁵

Recommendations. The most important of these recommendations were:

1. That the power of the Minister of Labour to apply the acts to a trade be made contingent upon three conditions: (a) that the rate of wages prevailing in the trade or any branch of the trade is unduly low as compared with those in other employments; (b) that no adequate machinery exists for the effective regulation of wages throughout the trade; and (c) that in any case in which the Minister considers that a *prima facie* case exists for applying the acts to any trade, he shall cause a public inquiry to be held into the matter and shall have regard to the report of such inquiry.
2. That as regards the distributive and retail making-up trades to which the acts have been or may be applied (including the laundry trade) (a) the Minister of Labour be authorized to divide the country into suitable areas and to set up for any area a district board or district boards for the regulation of such trades in that area; and (b) that a coordinating committee for each trade or group of trades for which district boards are so formed be set up.
3. That as regards the manufacturing or productive trades to which the acts have been or may be applied (a) the Minister of Labour be authorized, after consultation with the Trade Board for such trade, to set up for any area a district committee for the regulation of such trade in the area; (b) that where a district trade committee has been established it shall be consulted by the Board before a proposal for a rate affecting the district is made; and (c) that a Trade Board which has established a district trade committee shall have power at any time to dissolve it.
4. That the duties of a Trade Board shall be to fix (a) a

⁵ The same, pp. 45-49.

general minimum time-rate for the general body of workers in the trade, such rate to be fixed with reference to the lowest grade of ordinary workers in the trade; (b) if so authorized by the Minister of Labour, a special minimum time-rate for workers performing work ancillary to that performed by the general body of workers; (c) a piecework basis time-rate; (d) minimum piece-rates for out- or home-workers engaged in piecework in the trade; and (e) overtime rates based upon the above rates; all such rates when confirmed by the Minister to be enforceable as provided by the existing acts, and by agreement between three-fourths of the members present representing employers and of those representing workers (not less than half of the members on each side being present); (f) special minimum time-rates and piecework basis time-rates for special classes of workers in the trade or workers engaged in any special process; (g) minimum piece-rates for in-workers; (h) special minimum piece-rates for in-workers to be fixed on the application of an individual employer to apply in respect of workers employed by him; and (i) overtime rates based upon these rates; such rates when confirmed to be recoverable by civil proceedings only. Should any differences arise between the representative members in connection with fixation of the agreed rates, it was recommended that the points at issue should be referred to such person or persons as they might appoint, these agreed rates when registered with the Ministry of Labour to become obligatory upon all employers in the trade; otherwise they should apply to those represented upon the Trade Board only.

5. That the rates fixed by Trade Boards remain subject to confirmation of the Minister of Labour as previously, but that he be authorized before confirming any rate, or referring it back to a Trade Board for reconsideration, to refer the matter to the permanent Industrial Court for its consideration and advice, or to cause a public inquiry to be held into the matter.

In addition to these major recommendations the committee dealt with the specific problems posed by the crisis, most important of which were the following suggestions:

1. *Juvenile workers and learners*: (a) that Trade Boards in

fixing minimum rates for learners should have regard to *experience* as well as age and make suitable provision for late entrants; (b) that they should encourage apprenticeship in trades where it is of value by fixing lower minimum rates for apprentices than for learners of the same age.

2. *Permits of exemption*: (a) that the power of exemption be extended to include any worker in a trade who, on account of age or any other reason, is incapable of earning the minimum rate applicable to him [this would cover "just slow" workers]; (b) that permits when granted be made retroactive to the date of application.

3. *Overlapping of boards*: (a) that the Minister be authorized to establish a Trade Board for two or more trades and to transfer to any such Board the powers of any existing Board; (b) that on the application of a proprietor of any establishment in which two or more trades to which the acts apply are carried on, the Minister be authorized to determine which minimum rate of wages shall apply to the workers or any class of workers in that establishment.

4. *Scope*: (a) that the Minister be authorized on the application of any person to determine whether any worker or class of worker falls within the scope of an order establishing a Trade Board or determining a minimum rate of wages; (b) that any Trade Board or person aggrieved by such a decision shall have the right of appeal to a Judge of the High Court.

5. *Dissolution or suspension of boards*: (a) that the Minister be authorized, if he is satisfied that the circumstances are of such a character as to render the application of the acts no longer necessary, to withdraw a trade from operation of the acts by special order for such period and upon such conditions as he considers fit, but only after he has caused a public inquiry to be made into the matter.

6. *Time for fixing and varying rates*: (a) that the period allowed for objections to a proposal for the cancellation or variation of rates *a-e* (see recommendation 4, pp. 257-58) be reduced to one month and to 14 days from the date of the notice of proposal in all other cases; (b) that the maximum period allowed to the Minister for confirming a cancellation or variation of a rate or referring it back to a Board be reduced to 14 days,

unless the Minister refers the rate to the Industrial Court, orders a public inquiry to be held, or considers that other special circumstances make a postponement desirable; (c) that where, as the result of objections, a rate different from the proposed rate is agreed to by not less than three-fourths of the representative members on each side of the Board, present and voting (not less than half of the members on each side being present), the Minister be authorized to confirm such different rate without further notice being given, unless he is of opinion that the difference is so serious that fresh notice of the change should be given.

7. *Prosecution proceedings*: (a) that when on investigation it is found that an employer is not complying with a compulsory order, the employer shall be warned forthwith of the non-compliance in order to prevent accumulation of arrears; (b) that when an employer is convicted of an offense against the acts, the magistrate shall order payment of all arrears incurred within six months before commencement of the proceedings, but without prejudice to ordering payment of arrears for a longer period.

8. *Administration*: The committee indorsed the following recommendations of the Trade Boards Administration Committee of which Mr. Humbert Wolfe C.B.E. was chairman:⁶

(a) "There should be a regular practice of early consultation between the Department and the Trade Boards as to the form in which the determinations of the Boards are to be expressed.

(b) "The Trade Boards should have facilities for obtaining at any stage legal advice on questions relevant to their work, and should have an opportunity of expressing their views themselves to the Minister's legal adviser.

(c) "While the Minister is ultimately responsible for the enforcement of the Acts and, subject to the courts, for the interpretation of scope, arrangements should be made to ensure the closest co-operation between the department and the Trade Boards in the carrying out of these duties.

(d) "Trade Boards should be furnished at request with the services of inspectors for the purpose of special enquiries, and should receive full reports on the progress of inspection at intervals not exceeding three months."

⁶ See pp. 249-51.

The committee also considered it desirable that the office of Trade Boards should be moved to the same building or one adjacent to that in which the Ministry of Labour was located. On certain other points it specifically approved the existing arrangements. In conclusion the committee recommended that it be a duty of the Minister to present an annual report on the working of the acts to Parliament, and that the acts be consolidated including amendments in accordance with its recommendations.

Results of the inquiry. The Cave Committee inquiry served a real purpose in providing an opportunity for the expression of pent-up feelings and causing both the Ministry and the Trade Boards to review their past policies and actions. It also offered some practical suggestions for removing immediate obstacles to the smooth working of the acts. Of the minor recommendations listed above, those concerning juvenile workers, the indorsements regarding administration of the acts already proposed by the Minister's administrative committee, the recommendation proposing an annual report, and the suggestion dealing with the location of the Trade Boards offices have been voluntarily accepted.

The obvious purport of the committee's major recommendations was reactionary. They limited the application of the Trade Boards Acts to the scope of 1909, restricted the functions of the Boards, encouraged the fixation of differential rates, and enhanced the powers of the Ministry of Labour at the expense of the Trade Boards. They resolved the issue of democracy versus bureaucracy by placing the balance of power in a government department. They solved the problems emerging out of a bipartite system by concentrating authority in the Ministry

of Labour. They settled the issue of wage control in terms of pre-war conceptions and a post-war trade depression. But they failed to take cognizance of the principle of industrial self-government which had grown out of the war experience and inspired amendment of the original Trade Boards Act. And by so doing the Committee's recommendations greatly strengthened the policy of government interference which was actually the bogey it intended to dispose of. While not advocating total abolition of the Trade Boards system nor revocation of the minimum wage principle, these recommendations, if adopted *in toto*, would have seriously impaired the successful operation of the system by changing its emphasis and limiting its protection to a few of the very lowest wage trades.

The Ministry's new policy. In spite of the depression, the country as a whole was in no mood for such drastically retrogressive action. In view of the economic situation the Ministry of Labour did decide, however, to render the major recommendations of the committee effective as far as this could be done through administrative measures. The following policy was accordingly announced in July 1922 in a Parliamentary white paper.¹

1. That no Trade Board will be set up unless conditions (a) that the rate of wages prevailing in the trade or any branch of the trade is unduly low as compared with those in other employments and (b) that no adequate machinery exists for the effective regulation of wages throughout the trade are satisfied and then only after a public inquiry; the interpretation of the words "unduly low" to be determined in accordance with the facts of each case after an inquiry by the Minister of Labour.

¹ Ministry of Labour, *Administration of the Trade Boards Acts, 1909 and 1918*, Cmd. 1712.

2. That revision of the jurisdictions of Trade Boards where difficult questions of scope are involved will be proceeded with, but where such revision entails application of the acts to new trades, it will only be carried through after a public inquiry.

3. With regard to the time for objections and proposals: (a) that the Minister will consult with the Trade Boards between the proposing and fixing stages so that he may in every case be able to transmit his decision within 14 days of the receipt of the rates; (b) that a regulation will be made dating the period of objection from the publication of the notice instead of from the date of issue to the trade; (c) that as long as rapid fluctuations in the cost of living occur it is probable that "special circumstances" enabling the Minister to give his consent to the variation of minimum rates within a period of six months under the act of 1918, will continue to exist.

4. That if satisfactory arrangements cannot be made on a district committee basis, the Minister will consider whether it is desirable to set up district Boards in the appropriate trades already covered by the acts.

5. That the Minister in confirming rates will bear in mind the committee's recommendations regarding the powers of the Boards to fix rates, though the existing powers of the Boards cannot be altered without amendment of the acts.

To render the other recommendations of the committee effective required amendment of the acts. Accordingly in May 1923 a bill consolidating the acts of 1909 and 1918 and embodying substantially all the amendments recommended by the committee was introduced into Parliament by the government. By this time, however, the trade depression had begun to lift and opposition to the acts had subsided. The bill was consequently proceeded with no further, nor have further steps towards amendment of the acts been subsequently taken. With the passage of time even the policy enunciated by the Minister has been modified, only his statement regarding the establishment of new Trade Boards having been consistently adhered to.

With the air cleared through public investigation and better business conditions the administrative conflict was also resolved. The office of Trade Boards was moved to quarters situated nearer the Ministry of Labour. An assistant secretary was appointed to take charge of Trade Board affairs with his office in the same building as the office of Trade Boards. Except for establishing a permanent advisory committee, the main recommendations of the Trade Boards administration committee were adopted. And the two sides of the bipartite system, thus integrated, have worked happily together ever since.

THE SIGNIFICANCE OF THE CRISIS

The Trade Boards crisis thus turned out to be nothing more than growing pains, years since outlived. But for others seeking administrative guidance that experience indicates certain danger points and raises fundamental administrative questions. Among other things it illustrates the interaction between economic and administrative forces. Had no business slump occurred at that particular moment, could administrative difficulties have been gradually ironed out sans crisis? Though a major issue involving ideology and allocation of functions was at stake, relatively minor matters such as the speed with which the new Boards were established, delays in confirming minimum rates, the location of offices, the manner in which ends were achieved, and the personalities of those concerned became the crucial factors. Had a *conference been called to discuss*, instead of a *letter sent to advise* the Boards of the withdrawal of certain functions which they had previously possessed might not this conflict have been avoided? If the Boards in retail making-up trades had taken account of local customs and existing economic conditions would employer opposition have

developed? Though the letter of the law was being carried out, were some of the executives themselves perhaps violating its democratic spirit? In the last analysis, what proportion of administrative problems can be ultimately traced to lack of artistry in human relations? And how can this art of arts be cultivated in those upon whom falls the onus of administering social legislation? These constitute some of the significant questions emerging from the double crisis which the Trade Boards have long since left behind them. And the method by which they were solved—that is, administrative adjustment rather than legislative change—likewise suggests their answer.

PART III
ECONOMIC AND SOCIAL ASPECTS

CHAPTER X

PURCHASING POWER

The primary purpose of this book is to reveal the British wages boards in operation, with a view to discovering the best method of applying the minimum wage principle, rather than to determine the validity of that principle or to measure the results of minimum wage legislation. The value of the methods employed in administering any piece of legislation is most fairly appraised, however, in terms of the effectiveness with which its ends are achieved. (In so far as available material permits an answer then, what have the Trade Boards and Agricultural Wages Committees accomplished with regard to their major objective of increasing the purchasing power of workers in the lowest income brackets and maintaining it at a reasonable level?)

The purchasing power of any worker or group of workers is measured by real annual earnings over a period of years. This item is determined by four main factors: the rate of wages, the hours of work, the cost of living, and the degree of full-time employment. But there are no adequate statistics either of earnings or of employment for the exact categories covered by minimum wage legislation in Great Britain. This precludes definitive answers with regard to purchasing power. It is possible from the available information, however, to indicate the general course of purchasing power of these groups over the period of wages board operation. And, by bringing together the accessible material, answers to important questions bearing upon purchasing power may at least be suggested. How, for example, do the

minimum rates fixed by the wages boards compare with changes in wholesale and retail prices; how do they compare with prevailing wage rates in unregulated trades; how are the minima fixed for agriculture and industrial workers related; what is the relation between the minima applying to male and female workers; what is their trend with regard to a subsistence and/or a comfort standard of living; have the wages boards helped to stabilize wage rates; what have they done about hours of work; what has been the effect of wage regulation upon the employment of workers in the industries concerned, especially of young workers and of homeworkers? And, of course, there must be some answer to the perennial question, have the minima become the maxima?

WAGES¹

Of the different types of rates fixed by the Trade Boards and Agricultural Wages Committees the general minimum time-rates are the most important because each of these bodies is required to fix such rates and because they apply to the majority of workers, both male and female, in each trade. Many of the Boards have prescribed different general minimum time-rates for male and female workers engaged in different occupations. But those applicable to the lowest grade of experienced adult workers for each sex usually cover most of the persons employed in each of the Trade Board trades and represent the lowest legal minima. In agriculture the general minimum time-rates for "ordinary" workers are for similar reasons most significant.² When changes in the purchasing power of workers covered by the minimum wage legislation are being considered, the indexes

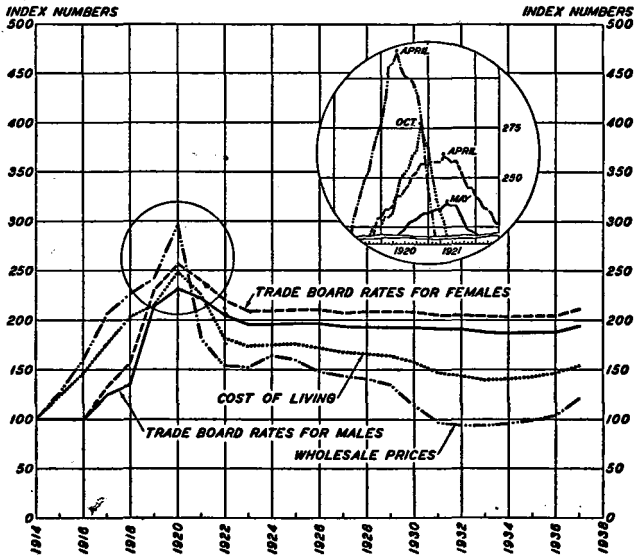
¹ In order to obtain some idea of the relative purchasing power of money in Great Britain and the United States, see Foreword, pp. 6-7.

² For definition of an "ordinary worker" see p. 153, note 15.

of these rates are consequently the rates to be compared with an index of the cost of living.

Nominal and real wage movements. Between 1914 and 1937 four distinct movements took place in the average general minimum time-rates of wages fixed by the industrial and agricultural wages boards as shown by their index numbers (chart below and chart on p.

RELATION OF TRADE BOARD RATES TO PRICE
CHANGES, 1914-37^a
(1914=100)

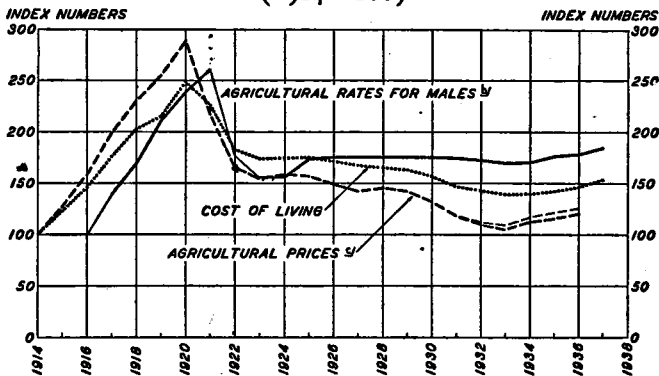


^a Corresponding monthly figures for the peak years are plotted in the inset. For data and description see App. B, pp. 376-78.

272). These correspond roughly to the movements of general wage and price indexes (chart on p. 273). But certain discrepancies require attention. During the first two years of this period, 1914-16, while the Trade

Boards were practically inoperative, their wage-fixing function having been largely taken over by the muni-
tions tribunals shortly after the beginning of the War, the Trade Board rates remained unchanged though prices advanced rapidly. Agricultural wages also re-

RELATION OF AGRICULTURAL WAGE RATES TO PRICE
CHANGES, 1914-37^a
(1914=100)



^a For data and description see App. B, pp. 376-77.

^b The light portions of the line representing indexes of agricultural wage rates signify that the indexes are estimated since no wage-fixing body was in existence in these years (1914-17 and 1921-24).

^c The upper portion of the agricultural prices line (1932-36) represents a revised index which includes subsidies under the Wheat Act, 1932, and the Cattle Industry (Emergency Provisions) Acts, 1934 and 1936.

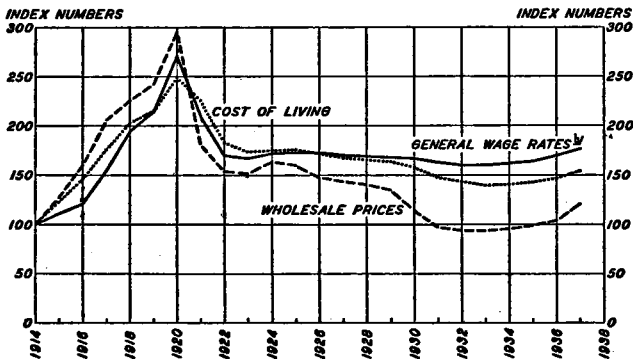
maintained practically stable, though there were as yet no Agricultural Wages Committees. General rates of wages responded immediately, however, to economic changes conditioned by the War (chart on p. 273).³

For four years from the end of 1916 onward, a second

³ The indexes of general wage rates used in this chart are those published by the Ministry of Labour and are based on rates in thirty-two industries. Some of the Trade Board rates are included, but would have little influence on the final figures. These indexes may therefore be used to indicate the general course of wage rates in non-Trade Board industries.

movement occurred. During this period all three types of rates moved sharply upward, under the pressure from war production, shortage of labor, rising prices, and government regulation of wages by terms of the Munitions Acts, the Corn Production Act, the Wages (Tem-

RELATION OF GENERAL RATES OF WAGES TO PRICE CHANGES, 1914-37^a
(1914=100)



^a For data see App. B, pp. 376-77.

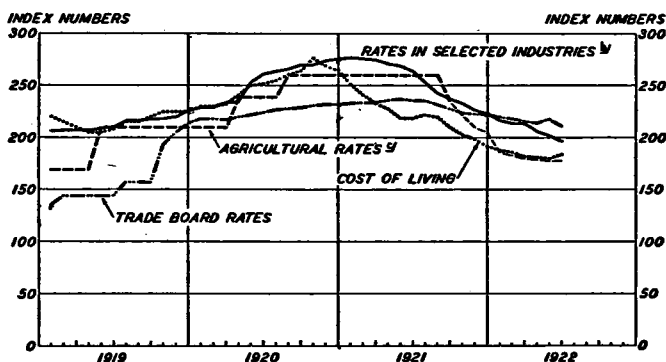
^b See note 3, p. 272, for composition of this index.

porary Regulation) Act, and the Trade Boards Acts. The wage increases in the Trade Board industries⁴ and in agriculture characteristically lagged behind the increases in both prices and wage rates in the basic industries until sometime in 1921. In April 1920 wholesale prices reached their peak, retail prices as weighted according to working class cost of living finding their high point in October of the same year. A few months after prices commenced their downward trend, the average mini-

⁴ The rise in Trade Board wage rates indicated in the chart on p. 271 is not influenced to any appreciable degree by the rates fixed for new trades coming under the Act in 1918 which are included in the composition of the index.

imum time-rates for both Trade Board and agricultural workers outstripped the cost of living (inset to chart on p. 271 and chart below).⁵ Though Trade Board rates rose more during 1919 than did rates of wages in organized trades, where wages were relatively higher in

RELATION OF MALE RATES IN TRADE BOARD TRADES, IN AGRICULTURE, AND IN SELECTED INDUSTRIES TO PRICE CHANGES, 1919-22^a
(1914=100)



^a For data see App. B, p. 378.

^b See note 6, below, for composition of this index.

^c See note 6 to chart on p. 272.

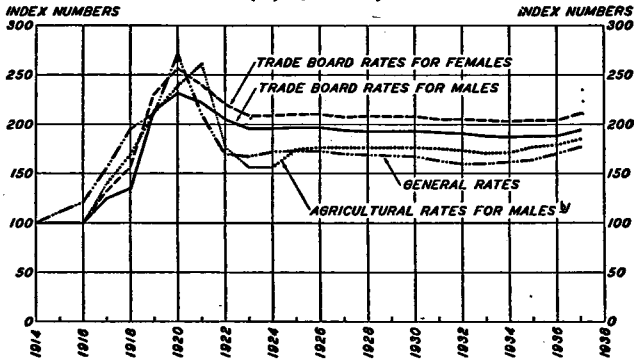
1914, they gained less between January 1920 and January 1921 than did rates in the organized trades, but they also fell less rapidly after their respective peaks had been reached (chart above). Within three months after retail prices had climbed to their summit, rates of wages in selected non-Trade Board industries⁶ com-

⁶ Data are not available for female agricultural workers, who constitute only a small percentage of the total number of workers in agriculture.

⁷ The indexes of wage rates in selected industries used in the chart on this page are those published in the "Reconstruction in Europe" numbers of the *Manchester Guardian Commercial*, sec. 12, p. 769. They represent an average of weekly rates of wages of bricklayers and laborers, engineer-

menced to decline but neither male nor female Trade Board rates nor the minimum rates applicable to agricultural workers commenced to fall until well into 1921 (inset to chart on p. 271 and chart on p. 274). This resulted in an increase of purchasing power for both Trade Board and agricultural workers, though in non-

RELATION OF MINIMUM WAGE RATES TO GENERAL RATES
OF WAGES, 1914-37^a
(1914=100)



^a For data see App. B, pp. 376-78.

Trade Board trades real wages experienced a considerable fall (chart on p. 276).^{6a}

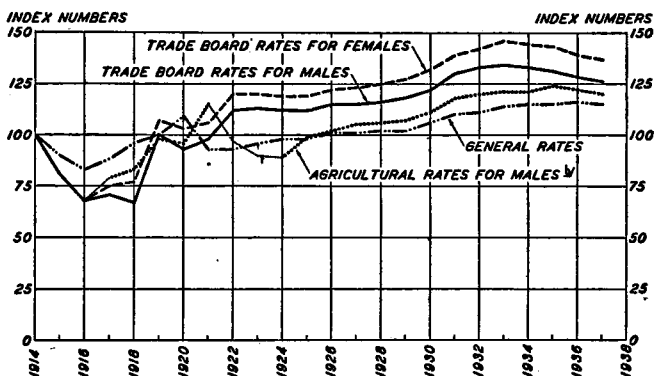
The third movement of the indexes of wage rates is marked by a steep decline all around in the years 1921 to 1923. With the cessation of hostilities and demobiliza-

ing fitters and laborers, compositors, dock laborers, railwaymen, woolen workers, cotton workers, miners, and agricultural laborers.

^{6a} The following studies made between 1910 and 1923 give detailed results of Trade Board operation during this period: R. H. Tawney, *The Establishment of Minimum Rates in the Chain-Making Industry under the Trade Boards Act of 1909* (1914) and *The Establishment of Minimum Rates in the Tailoring Industry under the Trade Boards Act of 1909* (1914); M. E. Bulkley, *The Establishment of Minimum Rates in the Box-Making Industry under the Trade Boards Act 1909* (1915); Dorothy Sells, *The British Trade Boards System* (1923).

tion, the war demand relaxed, the supply of labor increased, both retail and wholesale prices declined, and general wage regulation ended. General wage rates commenced to drop almost immediately retail prices began their precipitous decline, pursuing a steep downward course until the end of 1923 when they reached approximately their 1917 level (chart below). After

RELATION OF REAL MINIMUM WAGE RATES TO REAL
GENERAL RATES OF WAGES, 1914-37^a
(1914=100)



^a For data see App. B, p. 379.

^b See note *b* to chart on p. 272.

repeal of the Corn Production Act in 1921 agricultural rates fell even more abruptly than general rates, finding their low point during 1923 also at about their 1917 plane. But rates of wages in the Trade Board trades, where wage machinery continued to function, fell more gradually than in other industries and in agriculture, at the end of 1923 striking an equilibrium at about their 1919 level. It is probable that wages in the basic industries and in agriculture would have fallen more abruptly than the relatively unimportant and unskilled

industries embraced by the Trade Boards, irrespective of wage board action. Owing to the nature of these industries and to their lack of organization, however, it seems probable that wages boards were an important factor in raising wages higher in these trades than they would otherwise have gone and in preventing the rates from falling both faster and lower.

These retarding influences have also caused Trade Board wage rates to pursue a less acute downward course than retail prices. The real wage rates of workers in these trades thus rose constantly from 1920 to 1923, while real wage rates in general, as well as in agriculture, suffered marked decreases (chart on p. 276).

During the fourteen years intervening between 1923 and 1937, the indexes of general money wage rates, the rates for both male and female workers covered by the Trade Boards, and the rates fixed for agricultural workers by the Agricultural Wages Committees remained almost stable, but at different levels in relation to the rates paid in 1914 (chart on p. 275). Following drastic reductions attendant upon the sudden fall in prices occurring in 1920, a sort of norm seems to have been established both for general and Trade Board wage rates, only minor variations having taken place since the depression. In 1937 the index of nominal wage rates for both males and females coming under the Trade Boards Acts stood within two points of the 1923 level, while general rates stood only seven points above the 1922 level, this being the year in which these rates began to flatten out. Close upon passage of the Agricultural Wages (Regulation) Act in 1924 agricultural wage rates established a new upward swing and by 1925 they too had apparently struck something like a norm. Except during the years of severe depression, 1931-34, the index of nominal rates has gradually increased from 1925

to 1937, when it was eleven points above the 1925 level (chart on p. 275 and appendix table on p. 376).

The facts that the index of nominal wage rates fixed by Trade Boards has since 1923 maintained a higher level in relation to 1914 than the index of nominal wage rates in general, and that agricultural rates rose again immediately new wage boards came into existence while rates in the more skilled, organized, and basic industries remained at a lower level, strongly suggest that the wage-fixing machinery has been a major factor in raising wages in the industries to which it applies. By placing a floor in the entire wage structure and supplying a yardstick for determination of agreed wage rates in organized industries wage boards have probably also exerted an important stabilizing influence upon general wage rates during this entire period. In so far as they are responsible for keeping wage rates up and keeping them stable while the cost of living was declining, the wages boards are to be credited further with the steady upward trend of real wages and therefore of potential purchasing power which all workers have enjoyed since 1916, except for the years 1921 to 1925 in the case of agricultural workers, and a few other short periods while wage and price readjustments were in process (chart on p. 276).

The real wage rates fixed by both the Trade Boards and the Agricultural Wages Committees have increased more over a period of years than the nominal rates. Between 1914 and 1922 the real wage rates for females increased 20 per cent, while those for males increased 12 per cent. Since 1922 real minimum wage rates have increased by another 14 per cent in the case of females and 13 per cent in the case of males. Between 1928 and 1937 the real income of employed British workers as a whole

increased about 13 per cent.¹ During the same period the real wage rates fixed by the Trade Boards for male workers rose by only 9 per cent and that for females by 10 per cent. Though the real wage rates of British workers in general increased more than the Trade Board and agricultural rates during the last decade, the chart on page 276 shows that the real rates of wages as determined by the Trade Boards and Agricultural Wages Committees have increased considerably more since 1914 than have the rates of wages in general. Since 1914 the real wage rates applicable to female workers in Trade Board trades have increased 37 per cent; those applicable to males 26 per cent; and those to which male agricultural workers are entitled under the Agricultural Wages (Regulation) Act, 1924, have increased 20 per cent while the real rates paid to the average British male worker had increased by only 15 per cent between 1914 and 1937.

The level of minimum rates. Thus far changes in purchasing power as indicated by comparison of the indexes of wage rates and of the cost of living have been considered and nothing has been said about the level or absolute amount of wages. An idea of what the minima represent in terms of actual wage rates may be obtained by comparing them with rates in the more skilled industries and with rates in the United States. The relation between minimum rates of wages fixed by the Trade Boards for the semi-skilled and unskilled trades to which they chiefly apply and the rates fixed by voluntary agreement in the more skilled industries is suggested by the following comparison. The average weekly minimum rate of wages to which the lowest grade of experienced

¹ See App. B, p. 379.

adult male worker was entitled under the Trade Board determinations in December 1935 was 47s. 6d. per week of 48 hours. In the same year the average coal miner actually received 45s. 6½d. per week of about 45 hours;⁸ adult male workers in the cotton textile industry earned 49s. 9d. for approximately 48 hours' work;⁹ the average laborer in the building trades was paid at the rate of 50s. 6d. per week of 44 to 46½ hours;¹⁰ and fitters and turners in the engineering (machinists) trade were remunerated at the rate of 60s. 9d. per week of 47 hours.¹¹ Women workers in the highly skilled cotton industry earned 28s. 8d.¹² as compared with an average of 27s. 1d. due to the average female worker subject to Trade Board rates. To be compared with these rates of wages are the average weekly earnings of all men 21 years of age and over in 1935 which amounted to 64s. 6d. per week of 47.8 hours, and the earnings of women 18 years of age and over averaging 31s. 3d. per week of the same average length.¹³

By December 1937, the average male Trade Board rate had risen to 49s. 2d. per week. In this year, coal miners earned on the average 50s. per week;¹⁴ while the agreed rate for fitters and turners was 68s. per week;¹⁵ and that for laborers in the building trades 59s. to 44s. per week according to whether they were employed in London or in rural areas.¹⁶

⁸ *The Economist*, Jan. 9, 1937, p. 54.

⁹ The same, June 11, 1938, p. 608.

¹⁰ Ministry of Labour, *Twenty-Second Abstract of Labour Statistics of the United Kingdom*, p. 85.

¹¹ *The Economist*, May 28, 1938, p. 497.

¹² The same, June 11, 1938, p. 608.

¹³ The same, Sept. 4, 1937, p. 460.

¹⁴ The same, July 31, 1937, p. 235.

¹⁵ The same, May 28, 1938, pp. 497-98.

¹⁶ The same, p. 481.

Coal mining and cotton manufacture, though highly skilled trades, are "depressed industries." It is not surprising, therefore, that earnings, which take account of short time as well as overtime work, were approximately the same as the average Trade Board rates, which do not. Weekly rates of wages in the other two highly skilled industries, however, were considerably higher than the Trade Board rates, yet not so high, taking the difference in skill into consideration, as to indicate that the Trade Board rates were unduly low.

When the average minimum time-rates on a weekly basis of 48 hours, as set for adult male workers and for female workers on December 31, 1937, are adjusted to take account of the difference in the cost of living between Great Britain and the United States,¹⁷ they may very roughly be equated to \$16 and \$9 per week, respectively, if spent in the United States. The average of the weekly minimum rates of wages fixed by the 47 English Agricultural Wages Committees for ordinary male workers was 33s. 4d. in the summer of 1937. This amount represents about double the pre-war level of wages, though it is far below the average minimum fixed for male industrial workers by the Trade Boards. Again making allowance for the difference in the cost of living, a rough estimate of its equivalent purchasing power in the United States would be \$10.75. Such estimates of equivalents take no account of the relative standard of living in the two countries nor of the various imponderables. Neither are they intended to be *minimum rates* exactly as that term is used in the United States.¹⁸ They may nevertheless be compared with the \$11 per week which is now due to all industrial workers coming under

¹⁷ For a comparison of purchasing power in the two countries, see Foreword, pp. 6-9.

¹⁸ For explanation of this different usage see Foreword, pp. 5-6.

the American Fair Labor Standards Act and with the \$16 which will be payable under its terms at the end of seven years.

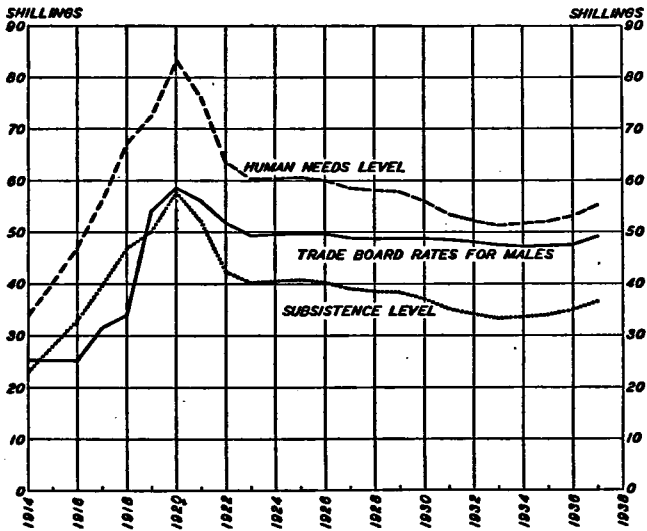
Comparison between minima and the level of living. More important than the actual amount of the minimum wage or even than the increase in real wage rates is, of course, the level of living provided by these minima and the relation it bears to the accepted standard of living among other groups in the country where they apply. How adequately the general minimum time-rates prescribed for British industrial and agricultural workers meet the requirements of a subsistence standard of living on the one hand and of a reasonable comfort standard on the other is indicated by the chart on pages 283-84.¹⁹ Part I of this chart suggests that almost to the end of 1919 the minima fixed for male workers by the few Trade Boards then in existence fell considerably below the amount representing a bare subsistence level of living on the 1936 standard. When these rates reached their peak in 1920²⁰ they stood slightly above the subsistence requirements but were still far from sufficient to meet the "human needs" standard. From 1920 onward, however, the amount of the average minimum wage to which adult males in Trade Board trades are entitled has in-

¹⁹ For purposes of this comparison the unemployment benefits due in 1936 to a man, wife, and three dependent children and to an adult woman, as given in the *Twenty-Second Abstract of Labour Statistics of the United Kingdom*, pp. 70-71, are taken to represent the subsistence level for male and female workers respectively. The comfort standard is measured by the "human needs" requirements stated by B. Seebohm Rowntree in *The Human Needs of Labour* (1937). These figures are based on 1936 prices and have been adjusted to take account of annual changes in the cost of living over a period of twenty-three years. They have been plotted along with figures representing the average minimum rate of wages for specified classes of workers. In all cases the rates for adult males are designed to meet the requirements of a family of five.

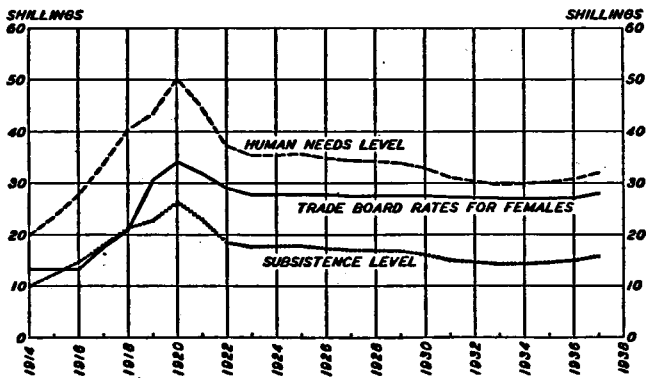
²⁰ Actually 1921 as shown by the inset in the chart on p. 271.

RELATION OF MINIMUM WAGE RATES TO SUBSISTENCE AND HUMAN NEEDS LEVELS OF LIVING, 1914-37^a

PART I. URBAN FAMILY

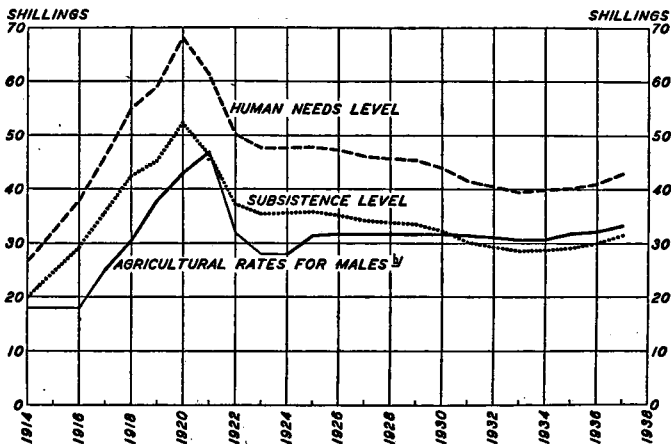


PART II. URBAN FEMALE



RELATION OF MINIMUM WAGE RATES TO SUBSISTENCE AND HUMAN NEEDS LEVELS OF LIVING—*Continued*

PART III. RURAL FAMILY



^a For data and description see App. B, p. 380.

^b The light portions of the line representing agricultural wage rates signify that the rates are estimated since no wage-fixing body was in existence in these years.

creasingly drawn closer to the human needs requirement, until in 1933 the minimum amount due for a full week's work was 93 per cent of the amount required to supply the basic human needs.

Part II of the same chart shows that the minima applicable to female workers have taken a course similar to that of the male rates, except that they caught up with the subsistence standard sooner, have risen farther above it, have never fallen so far below it, and have come a little less close to the higher level of the Rowntree human needs requirement. In 1937 the average weekly rate for both male and female workers represented 85 to 90 per cent of the Rowntree human needs estimate. But the minimum wage rates set for agricultural workers

exhibit a somewhat different pattern (Part III).²¹ The average minimum rate for adult male workers in the different counties falls considerably below the subsistence level for a rural family until 1921 when it coincides with the subsistence requirements. With repeal of the Corn Production Act in that year, wage rates dropped suddenly. Under the new agricultural wages regulation system they rose again, once more coinciding with the subsistence requirements in 1930 and thereafter hovering closely above it up to 1937 when they represented nearly 80 per cent of the human needs requirements. Though general agricultural conditions have doubtless had a depressive influence upon minimum wage determinations, the close adherence of wage rates to the subsistence level is partially explained by the fact that the unemployment insurance benefits payable to agricultural workers are considerably more liberal when measured in terms of the human needs level, than those granted to industrial workers.²²

With regard to the general minimum time-rates fixed by the Trade Boards it can, therefore, be said that for the past eighteen years both those for men and those for women have fallen between the subsistence and the human needs levels, in general drawing progressively closer to the human needs standard. The general minimum time-rates for ordinary male agricultural workers, however, failed to reach the subsistence level until 1930,

²¹ The basis for graphing the subsistence standard in this case is the benefit payable in 1936 under the new Unemployment Insurance (Agriculture) Act to a male agricultural worker with a wife and three children.

²² The unemployment insurance benefits, which have been taken as the amounts required to provide a subsistence level of living, represent about three-fourths of the Rowntree human needs requirement in the case of rural male workers, whereas they represent only one-half in the case of urban female workers and two-thirds in the case of urban male workers. These differences partially account for differences in the relation of the various minimum rates to the two levels of living.

after which they rose above it, but remained much nearer to the subsistence than to the human needs standard.

Maximum and minimum rates. The relation between the different rates paid in a trade also has a bearing upon purchasing power. Though the rates fixed by the various wages bodies now represent the prevailing wage rates in the trades to which they apply, they are not necessarily maximum wage rates.²⁸ Prior to 1918 the Trade Boards fixed one rate for men and one for women. These inclined towards the level of the rates then paid by the best employers in each trade. That is not to say, however, that the Trade Board rates necessarily were or remained the maximum rates in the trade.

Since amendment of the act in 1918 nearly every Trade Board has itself fixed rates at several different levels, the general minimum time-rate applicable to "other workers" usually being the lowest adult rate fixed. In this way any possibility that all rates should drop to the level of the lowest minimum in a trade is precluded.

Sixteen of the forty-seven Trade Boards have prescribed general minimum piece-rates. In most of these trades piecework has either been a long established custom or a considerable number of outworkers is employed. Such rates almost invariably become the maxima or standard rates and are determined with this in view. According to custom, piece-rates are intended to yield about one-fourth more per hour or per week than the corresponding time-rates and to this extent piece-rates increase the workers' purchasing power.

Thirty-nine Trade Boards have fixed piecework basis time-rates. These rates usually apply to women and frequently to men as well, the rates being different for the two sexes and sometimes varying according to age,

²⁸ See Foreword, p. 6.

occupation, and/or other conditions of employment. The piecework basis rate is ordinarily 10 to 15 per cent higher than the general minimum time-rate, depending upon the trade and the kind of work.

Six Trade Boards have prescribed guaranteed time-rates. The object of a guaranteed time-rate is to insure at least a specific amount of money per hour or per week to special classes of pieceworkers regardless of whether they are "ordinary" workers and irrespective of their piecework earnings. Guaranteed time-rates are sometimes the same and sometimes less than the general minimum time-rates set by a given Trade Board.

Higher minimum time-rates for persons engaged in work that is more skilled than that done by the lowest grade of experienced adult workers or for persons whose conditions of work justify a higher rate are also fixed by thirty-four of the Trade Boards. The only restriction upon such action is that the special class of worker for whom such rates are prescribed must actually be in existence before the rate is fixed. In June 1938 the rates for "skilled" male workers ranged from 11½d. per hour payable to workers over 21 years of age employed in the scrap metal section of the General Waste Materials Reclamation trade to 1s. 8d. per hour prescribed by the Fur Trade Board for ex-apprentices and cutters with six years' experience in cutting and nailing and by the Chain Board for journeymen working in the largest size of iron. Special rates for male night workers and for workers periodically changing shifts are a new departure in minimum rate fixing inaugurated in 1938. Increased rates have been accorded such workers by two Trade Boards on grounds of the personal inconvenience and the additional cost for food which such work involves.²⁴

²⁴ The Laundry Board has fixed special rates for females employed in emergency or casual work.

There is a definite tendency for the rates fixed by the Trade Boards to become the prevailing rates, if not the maximum rates for each class of worker for which minima are prescribed. The rates actually paid to juveniles are seldom higher than the legal rates and the rates for women are less often exceeded than those fixed for men. The rates fixed by the Agricultural Wages Committees are almost always the highest as well as the lowest rates paid.

Both the Trade Boards Acts and the Agricultural Wages Acts specifically state, however, that the existence of legal minima shall in no way interfere with negotiation of collective agreements providing for higher rates. And in many trades, agreements between the unions and some employers entitle those union members to higher than the minimum rates.

In several of the clothing trades, that is, wholesale tailoring, wholesale mantle, and shirtmaking, where organization has developed since the Boards were originally established but remains too weak numerically to enforce agreements except through the Trade Boards, it has latterly become customary for organized employers and workers to make extra-Trade Board wage agreements, afterward proposing the agreed rates to the Trade Board as minimum rates. Having received the sanction of the Board the agreed rates then become obligatory upon the unorganized as well as upon the organized employers in the trade. Sugar confectionery and food preserving exemplifies a trade in which agreements providing for higher than Trade Board rates have been periodically consummated ever since the War.²⁵ Taking

²⁵ Current agreements between the Interim Industrial Reconstruction Committee of the Cocoa, Chocolate, Sugar Confectionery and Jam Indus-

into account the shorter hours, these weekly rates represent a considerable advance over the legal minima. The Cooperative Societies, in the trades where they exist, are almost sure to pay higher than Trade Board rates by agreement. Even in agriculture, where the minima are the maxima for the most part, agreements between the unions and the Cooperatives do exist whereby payment of higher rates is stipulated. In other cases individual employers voluntarily choose to pay higher time-rates in

tries on behalf of Manufacturers of Sugar Confectionery and Fruit Preserves on the one part, and the Transport and General Workers' Union, the National Union of General and Municipal Workers, and the National Union of Distributive and Allied Workers on the other, and also between the same parties on behalf of the Manufacturers of Cocoa and Chocolate, provide wage rates considerably in advance of the current Trade Board schedule:

COMPARISON OF TIME-RATES APPLICABLE DECEMBER 1937 UNDER THE TRADE BOARD AND I. I. R. C. AGREEMENTS

Sex and Age	Trade Board Rates (for 48-hour week)	I. I. R. C. Rates (for 47-hour week)			
		Cocoa and Chocolate		Sugar Confectionery	
	s.	s.	d.	s.	d.
Male:					
14 years.....	12	11	9	11	9
15 ".....	16	15	8	15	8
16 ".....	20	19	7	19	7
17 ".....	25	25	0	24	6
18 ".....	30	30	0	29	6
19 ".....	33	35	0	34	6
20 ".....	36	44	0	42	6
21 ".....	41	56	0	54	6
22 ".....	45				
23 ".....	48				
24 ".....	52				
Female:					
14 ".....	11	11	6	11	0
15 ".....	15	15	6	15	0
16 ".....	19	19	6	19	0
17 ".....	24	24	6	24	0
18 to 20 yrs.....	28	30	0	29	6
21 years.....	29				

The hourly piecework basis time-rates set by the Trade Boards are 1s. 3½d. for males, 8¼d. for females. The piece rates under the I.I.R.C. agreements are set to yield 25 per cent above time-rates.

order to obtain the cream of the labor market irrespective of pressure from a trade union.

HOURS

The total amount which any worker has to spend at the end of any week or year, and therefore his purchasing power, depends not only upon the hourly rate of wages, but also upon the length of the working week. It is not possible to say exactly what effect the Trade Board declarations regarding the normal number of hours of work per week in the different trades has had upon the length of the working week. In general, however, the Boards have followed the prevailing custom in this respect. The Trade Boards Act of 1909 contained no hours provisions. In fixing minimum rates the usual number of hours worked in each trade was therefore used as the basis. This ranged from 54 to 50 hours per week in the eight trades for which rates were set before 1916. During the War 48 hours came to be accepted as the normal week, overtime rates being paid for hours of work in excess of that number. Under the new hours provision of the act of 1918, the Trade Boards continued to follow the custom, usually declaring 48 hours per week to be the normal number in excess of which overtime rates should be paid.

Among the 47 Trade Boards existing in 1937 five trades belonging to the small metals group have accepted the 47-hour week customary in the engineering industry; two Scottish clothing Trade Boards, the Hat, Cap and Millinery and the Dressmaking and Women's Light Clothing, have made 46 the normal number; the Paper Bag and Box Boards have approximated the example of the printing trade to which they are closely allied by declaring a 45-hour week; and, owing to the

intermittent character of the work, the Drift Nets Mending Trade Board, covering homeworkers almost exclusively, has declared 44 hours to be a normal work week. Since most of these workers are on a piece basis, the wage order specifically stating that the overtime rates do not apply to pieceworkers, the declaration with regard to hours in net mending appears to be more rhetorical than real. Six additional Boards have adopted what is termed a "customary working week." In effect this means a week between 40 and 48 hours in length depending upon the number agreed by employers and workers to be customary for that group of trades, 48 hours being accepted as customary for workers who have participated in no such agreement. And two trades, chain making and lace finishing, have no normal hours for adults, since the workers in those two trades are almost exclusively employed on a piece basis. The remaining 29, or 62 per cent, of the Trade Boards have declared 48 hours per week to be normal, as compared with 47.2 hours which in 1935 constituted the average normal working week for all British workers.²⁸ On this basis the Trade Boards appear to have lagged somewhat behind in the recent march towards shorter hours of work.

Since the acts contain no clause providing directly for enforcement of hours regulations, the effectiveness of any Board's declaration regarding the normal work week hinges upon its prescribing specific overtime rates. Various arrangements concerning payment for overtime have been adopted by the different Boards. The most usual provision for overtime payment is that wages at the rate of time-and-a-quarter shall be paid for the first two hours of overtime worked in excess of the normal num-

²⁸ *The Economist*, Sept. 4, 1937, p. 460.

TRADE BOARD OVERTIME PROVISIONS, JUNE 1938

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Name of Trade Board	Boards Declaring Normal Number of Hours of Work as Less Than 48 Weekly	Boards Defining "Customary Working Week"	Boards Making Provision for Payment of Overtime						Boards Having Special Provisions for Attendance on Alternate Saturdays
			On Weekly Basis Only	On Daily Basis Only	On Weekly and Daily Basis	On Weekly Basis Generally but Daily Basis in Respect to Weekly Short Day	After Specified Number of Hours on Saturday	After Specified Number of Hours on Any Short Day		In Relation to Five-Day Workers
Aerated Waters (England and Wales).....			X			X		X	
Aerated Waters (Scotland).....			X						
Boot and Floor Polish.....		X			X		X		
Boot and Shoe Repairing.....					X		X	X	
Brush and Broom.....					X		X	X	X
Button Manufacturing.....						X			
Chain.....									
Coffin Furniture and Cerement Making.....	X(47)				X		X		
Corset.....					X			X	X
Cotton Waste Reclamation.....			X						
Cutlery.....			X						
Dressmaking and Women's Light Clothing (E. and W.).....					X			X	X
Dressmaking and Women's Light Clothing (Scot.).....	X(46)				X			X	X
Drift Nets Mending.....	X(44)			X			X	X	
Flax and Hemp.....		X			X		X	X	
Fur.....					X			X	
Fustian Cutting.....			X						
General Waste Materials Reclamation.....					X		X	X	
Hair, Bass and Fibre.....			X						
Hat, Cap and Millinery (E. and W.).....					X			X	X
Hat, Cap and Millinery (Scot.).....	X(46)				X			X	X
Hollow Ware.....	X(47)					X			
Jute.....				X			X	X	
Keg and Drum.....	X(47)				X		X	X	

TRADE BOARD OVERTIME PROVISIONS, JUNE 1938—Continued

Name of Trade Board	Boards Declaring Normal Number of Hours of Work as Less Than 48 Weekly	Boards Defining "Customary Working Week"	Boards Making Provison for Payment of Overtime						Boards Having Special Provisions for Attendance on Alternate Saturdays
			On Weekly Basis Only	On Daily Basis Only	On Weekly and Daily Basis	On Weekly Basis Generally but Daily Basis in Respect to Weekly Short Day	After Specified Number of Hours on Saturday	After Specified Number of Hours on Any Short Day		In Relation to Five-Day Workers
Lace Finishing.....					X				
Laundry.....					X			X	
Linen and Cotton Hdks., Household Goods, and Linen Piece Goods.....					X		X		
Made-up Textiles.....					X			X	
Milk Distributive (E. and W.).....		X			X				
Milk Distributive (Scotland).....		X				X ^a			
Ostrich and Fancy Feather and Artificial Flower.....					X			X	X
Paper Bag.....	X(45)	X			X			X	X
Paper Box.....	X(45)				X		X	X	X
Perambulator and Invalid Carriage.....			X						
Pin, Hook and Eye and Snap Fastener.....	X(47)					X	X		
Ready-made and Wholesale Bespoke Tailoring.....					X			X	X
Retail Bespoke Tailoring (E. and W.).....					X			X	X
Retail Bespoke Tailoring (Scotland).....					X	X ^b		X	X
Rope, Twine and Net.....					X			X	X
Sack and Bag.....					X			X	X
Shirtmaking.....					X		X	X	X
Stamped or Pressed Metal Wares.....	X(47)					X	X	X	X
Sugar Confectionery and Food Preserving.....					X				X
Tin Box.....					X		X	X	X
Tobacco.....		X			X		X	X	X
Toy Manufacturing.....					X			X	X
Wholesale Mantle and Costume.....					X			X	X
Total.....	10	6	6	2	31	7	19	18	27

^a Special provisions for overtime worked on Sundays.

^b Applies to pieceworkers.

ber of hours and time-and-a-half for all overtime thereafter. Time-and-a-half payment is usually required for overtime in excess of $4\frac{1}{2}$ hours on the weekly short day irrespective of the number of hours worked in that week, while double time must be paid for all work on Sundays and legal holidays. In Great Britain even more than in the United States, the requirement that payment shall be made at the rate of time-and-a-quarter or time-and-a-half represents a heavy penalty and consequently has a comparatively stronger influence in curtailing the hours of work. In this way the maximum hours of work have been for all practical purposes fixed by the device of declaring normal hours and fixing overtime rates, though the Trade Boards Acts contain no specific provisions regarding the length of the working week. The table on pages 292-93 gives a summary of the overtime provisions of the forty-seven Trade Boards having operative wage orders in June 1938.²⁷

EMPLOYMENT

Even more important than the length of the normal week in its bearing upon individual and collective purchasing power is the number of hours which each worker is actually employed in any week or year. Since the trade categories for which unemployment figures are given in the *Ministry of Labour Gazette* in only a few instances compare closely enough with the Trade Board groupings to warrant comparisons, there is no statistical answer to the question: Have the Trade Boards caused unemployment? Even if a bit scrappy, the general evidence nevertheless suggests certain trends.

With the establishment of each new Trade Board there has been a tendency towards elimination both of

²⁷ For a discussion of hours of work in agriculture see pp. 155-56.

the least efficient workers and the least efficiently managed businesses from the industrial field. This conclusion is substantiated by the testimony of investigators during the period when most of the Trade Boards were being established and by personal interviews with employers subsequently made by the writer.²⁸ That minimum wage legislation has not resulted in the wholesale unemployment which some predicted, however, is evidenced by the warm approval of minimum wage legislation expressed by the workers and by the majority of employers both when extension of the acts was proposed in 1918 and when their operation was investigated by Lord Cave's Committee in 1921-22.

General employment. The most serious complaints that Trade Board rates created unemployment occurred early in 1921 simultaneously with the trade depression of that year and with a sharp decline in the value of European currencies. They emanated almost exclusively from two sources, the retail making-up and the service trades on the one hand and several trades peculiarly subject to foreign competition on the other. Moreover, official investigation proved that many cases of dismissal allegedly due to Trade Board rates were not bona fide. Further inquiry into the situation obtaining in the first group of trades disclosed the facts that the complaints came chiefly from the retail dressmaking, tailoring, and millinery trades located in rural areas and having a middle class trade, and for the most part they concerned learners. The laundries affected were also situated in small towns and villages and also catered to local patronage.

A main factor in the situation was the rapid introduction of machinery during the war and post-war years, a

²⁸ Sells, *The British Trade Boards System*, pp. 193 ff.

secondary cause being generally reduced purchasing power due to the sudden onset of a business slump. While retail dressmaking, millinery, and tailoring shops having a middle class clientele blamed the Trade Boards for the straits in which they found themselves, those with a high class trade offered no complaints and the wholesale firms actually considered Trade Boards a blessing. Again, competition from machine laundries, following a sales drive by American laundry machine manufacturers, forced some hand laundries either to violate the Trade Board orders or to discharge some of their employees, due to lack of business. Though it was afterward conceded that the minimum rate fixed for one or two classes of dressmakers was too high for employers in rural areas to pay, the crux of the difficulty in both the making-up and service industries lay primarily in economic and technical factors which would have caused business dislocation irrespective of the existence of any legal minimum wage.

The special trouble regarding learners grew out of the pre-Trade Board custom for farm girls to work at dressmaking for nothing or even to pay a premium, when the number of candidates exceeded the demand, in order to learn the trade. In these circumstances and especially in the midst of a depression any payment to learners, though only a few shillings per week, seemed excessive to the proprietor of a struggling shop, while to a Trade Board it simply meant the end of uneconomic exploitation. Complaints that the learners' rates were too high in the retail tailoring trade, for example, came chiefly from shops where learners had previously worked gratis, while those accustomed to paying even small wages had no objection to the increased rates. In other instances unemployment during the normal slack season or that

resulting from general economic inertia was naturally attributed by employers to the new wage-fixing machinery with which they had to deal rather than to more profound and more remote economic forces.

Aside from the clothing and laundry trades, the charge that unemployment was caused by Trade Boards has most frequently issued from the groups of so-called textile trades, rope, twine, and net; flax and hemp; and jute. But here, also, other circumstances require consideration. Net making, which was declared by employers in 1921 to have been "crippled" by Trade Boards, has always been primarily a homework trade at one time subsidized by the workers who, in 1914, earned between $1\frac{1}{2}$ d. and 2d. per hour at top speed. Even after the War, wages remained so low that a 100 per cent increase voted by the Trade Board only raised the wages of these workers to a subsistence level. But this meager wage placed a heavy burden upon employers in certain sections of the net industry, whose business was already slack owing to collapse of the Russian and German markets for salted herring. A certain amount of unemployment consequently resulted, whether mainly due to fixation of a minimum wage rate or to political and economic changes on the Continent it is hard to say. In any case the depression in this industry has continued up to today. An agreement between the German importers and the Shetland herring fishermen, by which the former consented to satisfy all their requirements for the 1937 season from the Shetland fisheries, promised to ease the situation considerably, however, since Germany is by far the most important overseas purchaser of British herring.²⁹

In the flax and hemp industry the major reason for

²⁹ *The Economist*, May 29, 1937, p. 505.

PERCENTAGES UNEMPLOYED IN SELECTED INDUSTRIES IN GREAT BRITAIN
IN DECEMBER 1927, 1932, AND 1937^a

Industry	Percentage Unemployed		
	1927	1932	1937
All industries.....	9.8	21.5	11.8
Non-Trade Board industries:			
Printing, publishing and bookbinding.....	3.8	9.8	6.0
Paper and paper-board making.....	4.4	10.9	4.6
Railway service.....	5.2	18.4	7.0
Bread, biscuit, cake, etc. making.....	5.9	11.7	7.9
Construction and repair of motor vehicles, cycles, and aircraft.....	6.9	18.0	5.0
Woolen and worsted.....	6.9	19.0	17.9
Sawmilling and machined woodwork.....	7.9	21.0	10.8
Brass and allied metal wares manufacture.....	8.2	16.8	5.4
Hotel, boarding house, club services.....	8.9	19.4	17.4
General engineering: engineers' iron and steel founding.....	9.4	29.2	5.5
Cotton.....	10.0	23.3	15.8
Rubber manufacture.....	10.5	18.0	8.7
Goods transport by road ^b	11.1	23.4	11.3
Building.....	15.9	31.7	20.7
Coal mining.....	17.3	29.2	11.5
Shipbuilding and ship repairing.....	20.8	62.3	22.7
Pottery, earthenware, etc.....	21.0	34.5	18.5
Steel melting and iron puddling furnaces, iron and steel rolling mills and forges.....	22.7	45.1	11.0
Trade Board industries: ^c			
Cardboard boxes, paper bags, and station- ery.....	3.2	7.1	4.0
Tobacco, cigar, cigarette, and snuff manu- facture.....	3.3	7.7	3.4
Laundry service ^d	3.8	9.8	6.6
Blouses, shirts, collars, underclothing, etc. making.....	4.7	11.6	8.3
Drink industries.....	5.2	13.0	7.1
Toys, games and sports requisites manu- factures.....	5.7	14.1	7.3
Dress and mantle making and millinery... Other textile industries.....	5.8	11.9	7.9
Hat and cap (including straw plait) manu- facture.....	5.9	14.5	9.1
Jute.....	6.7	22.4	23.6
Cocoa, chocolate, and sugar confectionery.. Metal industries not separately specified..	6.7	38.6	26.4
Brush and broom making.....	6.7	12.1	9.0
Hemp spinning and weaving, rope, cord, twine, etc. making.....	7.4	17.7	6.9
Linen.....	8.1	18.8	11.1
Lace.....	8.3	23.0	13.6
Tailoring.....	8.5	35.7	17.7
Bolts, nuts, screws, rivets, nails, etc. manu- facture.....	8.6	17.5	14.9
	8.7	19.0	13.4
	9.1	23.2	6.2

unemployment in the early twenties can be traced to the high price of raw materials. Prior to 1914 Russia supplied between three- and four-fifths of the raw flax which was spun into yarn in British mills. Political and economic conditions as well as a drought in that country resulted in a continuously decreasing acreage of flax after 1917 so that the crop of 1920 averaged about 10 per cent of the poundage produced in pre-war years. This caused a shortage of raw flax and such a tremendous rise in the price of the raw material that the manufactured products could not be sold at a price which would cover costs. The situation was aggravated by the sale at half price of large stocks of manufactured flax products left on the government's hands after the War. A high degree of specialization practically eliminated the competition of Irish and Belgian linens with the Scotch damasks, yet the minimum rate for women in this industry was the lowest then applicable in any Trade Board industry. Still the Trade Board was held responsible by some employers for unemployment in that trade.

In the jute industry, also, charges of creating unemployment have been leveled at the Trade Board. Since this industry is largely dependent for its prosperity upon the well-being of other industries, a general trade depression such as occurred in 1921 and in 1929 is bound

^a *Ministry of Labour Gazette*, January issues, 1928, 1933, and 1938

^b In 1937 the industry classified as "Other road transport" was divided into "Other road passenger transport" and "Goods transport by road." The series shown here is not therefore entirely comparable since the years prior to 1937 are for the broader classification.

^c These classifications do not represent strictly Trade Board industries since some non-Trade Board industries have been grouped with Trade Board industries in the presentation of unemployment figures.

^d In 1927 and 1932 dyeing and dry cleaning workers were included with laundry service.

to cause a decline in the world demand for jute goods. Even in normal times Indian jute products such as sacks, bags, and the cheaper piece goods are increasingly displacing British commodities in the world markets, some of them entering Dundee's own territory. Indian wages are so much lower than British, however, that were there no minimum wage legislation, Dundee firms could not cut wages sufficiently to meet this competition. As it is, the Trade Board rates for males in the industry are among the lowest minima fixed by any of the Boards. In these circumstances the low ebb of the British jute industry and the unemployment which has resulted are to be attributed primarily to these international competitive conditions often involving wide and erratic fluctuations in the prices of jute products, rather than to an unduly high level of wages prescribed by the Jute Trade Board.

During the transition period of the early twenties when new Trade Boards were being established in a number of industries, they were made the scapegoat for unprecedented conditions in several trades other than those named. Mistakes were doubtless made by some of the relatively inexperienced Boards, notably those covering dressmaking and millinery, but other factors such as changes in fashion, depreciated foreign currencies, previous exploitation of workers, or other circumstances peculiar to the trade in question invariably offer major explanations for the unemployment then laid at the door of the Trade Boards. As employers have become accustomed to the Trade Boards and the Trade Boards have had an opportunity to grasp the whole problem with which they have to deal, charges that they have caused unemployment are rarely, if ever, heard. Even during the severe depression of the thirties no cry of unemployment was raised against minimum wage legislation, in

spite of the fact that Trade Board rates maintained remarkable stability during that period.

Though the trade groupings used by the Ministry of Labour in no wise correspond to those of the different Boards, a rough comparison between the percentages of unemployment in 18 of the most important industries where no Trade Board applies, with 18 of the trade groups listed in which a Trade Board applies to some part of that trade or group of trades, throws some light upon the situation with regard to unemployment. For this comparison the figures for December in three critical years during the period 1921-1937, have been chosen, 1927, when the average percentage of unemployment was lowest; 1932 when it was highest; and 1937, which appears to represent something like a normal year (see table, p. 298).

In December 1937 the number of Trade Board and the number of non-Trade Board trades having a percentage of unemployed persons above the average for all trades was the same. Except in two industries, hat and cap, and jute manufacture, however, the percentage of unemployed in Trade Board trades stood nearer to the average for all industries than in the non-Trade Board trades. December happens to be an exceptionally bad month for the hat and cap trade, the percentage of unemployed for other months in the year falling much lower. Jute along with linen and the other textile trades is still suffering from foreign competition which any feasible reduction in wages could not prevent. In the other years for which figures are given, the number of Trade Board trades with a percentage of unemployed persons above the average is less than the number of non-Trade Board trades. The table on page 301 shows that only two, jute, and hat and cap manufacture, of the nine industrial groups showing more than 20 per cent

unemployed in December 1937, were subject to a legal minimum wage.³⁰ Available figures offer no evidence, therefore, that a legal minimum wage has caused unemployment.

Building	20.7
Stone quarrying and mining	20.9
Ship building and ship repairing	22.7
Hats and caps	23.6
Port transport	23.7
Shipping service	25.5
Jute	26.4
Fishing	27.5
Public works contracting, etc.	41.1

Juvenile employment. Establishment of legal minimum rates of wages for young workers has tended, on the whole, to standardize their remuneration and to encourage employers to give them opportunities for enhancing their earning capacity. In spite of gloomy predictions concerning the results of such regulation, no serious curtailment in the employment of juveniles can be traced to that source other than in the one sporadic case of dressmaking previously mentioned. A marked reduction in the number of young workers available for employment did take place, however, between 1924 and 1933 as a result of a decline in the birth-rate occurring immediately before and during the War. Since 1934 the increased birth-rate of the early post-war years has resulted in an influx of young workers, the full effect of which was felt in 1938. The percentage of girls leaving school who seek employment outside their homes has also increased materially during the past fifteen years. This tendency for the number of young people available for employment to increase is to some extent mitigated by enforcement of the Education Act, 1936, which raises

³⁰ *Ministry of Labour Gazette*, January 1938, pp. 24 and 25.

the school-leaving age from 14 to 15 years. Throughout the post-war period the mechanization of industry has proceeded rapidly and the demand for juvenile labor, particularly for those in the 14- to 16-year age group, has naturally developed with it. On the other hand the depression in the coal-mining and cotton industries, which normally absorb a large percentage of boys and girls, has operated in the opposite direction.

The net result of these conflicting forces has been an influx of young workers into the distributive trades. In 1935 approximately one-fourth of the total insured workers 14 to 17 years of age were employed in this group of trades. With returning prosperity the percentage has somewhat declined, though it continues to hold first place in the percentage of juveniles employed. And this fact has been an important influence in the recently renewed agitation for establishment of Trade Board jurisdiction over the distributive trades, only one of which, namely, milk distribution, is now covered by a Trade Board. It is also probable that the relatively large percentage of boys employed in the furniture industry is also a factor in proposals for a Trade Board in that trade.

The table on page 304 gives the percentages for each sex of the estimated number of insured workers 14 to 17 years of age to the insured workers 14 to 64 years of age in the different trade groups, 1935-37. It also shows how the number of young workers has increased in relation to the total working population during these years.

Eight of the thirteen trade groups employing the largest percentages of girls and three of the ten employing the largest percentages of boys have a Trade Board in one or more of its sections or branches. Whether the

fact that a large proportion of the trades employing the most girls is in any wise the result of better wages and

PERCENTAGE OF JUVENILES TO ALL WORKERS BY TRADE GROUPS, 1935-37^a

Sex and Trade (In order of number of juveniles employed in 1937)	Percentage of Insured Workers 14-17 to Insured Workers 14-64		
	1935	1936	1937
Male:			
Distributive trades.....	19.0	19.6	20.1
General engineering.....	11.1	12.7	13.9
Building.....	6.2	7.2	7.8
Coal mining.....	7.4	8.0	8.7
Motor vehicles, cycles, aircraft.....	10.8	12.2	13.6
Miscellaneous metal trades.....	15.4	16.6	16.8
Printing, etc.....	12.5	13.5	14.4
Furniture making.....	15.7	17.2	17.7
Cotton.....	8.1	10.0	10.5
Woolen and worsted.....	10.4	12.0	11.6
Other industries ^b	7.9	8.7	9.5
Totals.....	9.8	10.7	11.5
Female:			
Distributive trades.....	21.7	23.7	25.5
Tailoring.....	21.8	24.2	25.8
Laundry service.....	27.4	29.8	30.9
Cotton.....	11.2	12.4	13.7
Printing, etc.....	25.6	28.1	30.8
Hotel, boarding house service.....	9.3	10.6	11.4
Miscellaneous metal trades.....	27.5	28.4	29.3
Hosiery manufacture.....	20.7	23.6	25.0
Woolen and worsted.....	13.7	16.2	18.1
Dressmaking.....	22.9	24.0	24.5
Shirts, collars, etc.....	26.9	28.3	28.9
Bread, biscuits, cake, etc.....	28.2	30.4	31.3
Cocoa, chocolate, etc.....	33.0	35.4	35.0
Other industries ^b	20.3	22.3	24.3
Totals.....	20.1	22.1	23.7

^a *Ministry of Labour Report, 1937, p. 107.*

^b Excluding agriculture.

greater opportunity for learning a trade provided by the Trade Boards or whether it is merely due to the natural suitability of these trades to employment of young female workers, cannot be determined.

Employment of homeworkers. The effect of Trade Boards upon industrial homeworkers is clearer. A special inquiry to ascertain the position of homework made under the auspices of H. M. Chief Inspector of Factories and Workshops in 1925 and a subsequent study carried out in 1932 unequivocally state that a considerable diminution in the number of genuine homeworkers has occurred since the War in all homework trades except tailoring and certain trades related to household furnishing. The Trade Boards are credited with being an important factor in bringing about this reduction.²¹ The opinion that enforcement of legal minimum rates of pay has discouraged homework is corroborated by the results of an intensive study of London industries made by the London School of Economics and published in 1931 which sums up the situation by saying:

On the whole the figures indicate that a high degree of success has been obtained in enforcing the Trade Board standards of wages in the London area, and there is no reasonable doubt that the Trade Boards Acts have been one of the most decisive factors, though not of course the only factor, in improving the conditions of employment in a number of industries which in Charles Booth's time were the chief foci of the evils of "sweating."²²

The factory report of 1932²³ notes specific trades in which a drastic reduction both of the amount of homework given out and of the number of homeworkers employed is disclosed by the lists of the Local Authorities. Though the figures are misleading owing to dupli-

²¹ *Annual Report of the Chief Inspector of Factories and Workshops*, 1925, p. 59, and 1932, p. 72.

²² London School of Economics and Political Science, *The New Survey of London Life and Labour*, Vol. II, p. 35.

²³ P. 74.

cation and retention of workers not actively employed, the report concludes that the steady and sometimes surprising reductions thus registered are only partially accounted for by the existing depression. In the lace trade of Nottingham, to which one of the first Trade Boards was applied, the number of homeworkers declined from 5,000 or 6,000 in 1914 to 532 in 1932; in the chain industry centered in Cradley Heath the number was reduced from 979 in 1925 to 380 in 1931. Whereas 849 outworkers were employed in the industrial town of Derby in 1925, 396 were so employed in 1932; only two outworkers could be found in Stroud in 1932 where several hundred had formerly been employed. Carding buttons, hook and eyes and snaps, etc., as well as boxing various articles which were once carried on largely by homeworkers have latterly become machine processes.

Glove making, for which no legal minimum rates are prescribed, along with custom tailoring, which is covered by a Trade Board, constitute the two industries where homework remains more or less stationary. In the former industry the persistence of homework is attributed to the large amount of hand sewing and the "hereditary skill of the country workers." The reasons given for continuance of homework among tailoring establishments are the high rentals of premises in the city shopping areas where high class custom shops must be located and the seasonal nature of the trade, both of which render the employment of workers on the premises uneconomical even when the legal minimum rates for homeworkers are the same as those for inworkers. In the wholesale or ready-made factories doing chiefly an export business, work is often let out to contractors who em-

ploy others to work in their shops, but homework has not increased in this branch of the trade.

Though a modicum of homework apparently exists in a number of other trades where it has long been customary, the tendency towards mechanization plus the requirement specified by most of the Trade Boards that the same wages shall be paid to homeworkers as to factory workers has distinctly limited its economy. Increasingly, therefore, it is becoming the consensus of opinion among employers that, considering the large proportion of spoiled work, the uncertainty about the return of work sent out, and the cost involved in giving work out and keeping track of it, homework as a rule does not pay except perhaps at lower wages. That the Trade Boards have accomplished what was originally expected of them on this score, there can be little doubt. And in the same way that maximum hours of work have been limited by wage-fixing provisions, so the evidence indicates that homework has been largely eliminated.

What has been the effect of eliminating homework upon the purchasing power of the families or individuals previously employed in homework is another question. In some industries, like the Nottingham lace trade, for example, it is the policy of employers to bring the homeworkers under cover of the factory roof. In wholesale tailoring or any other industry where homeworkers have been displaced by introduction of machinery, part of those who formerly worked at home or younger members of the family have found jobs behind machines. In other instances better filled pay envelopes brought home by male breadwinners have made up for the loss, whether or not anything has actually been added to purchasing power. In other cases where aged or indigent

members of the family no longer have the opportunity even to earn a pittance as they sit by the fireside, a real loss in self respect as well as in money income has been suffered. But on the whole, the reduction in "sweated" homework has meant elevation to a higher industrial status both for the former homeworker and for the industry which had previously profited by "grinding the faces of the poor."

CHAPTER XI

INDUSTRIAL PEACE AND EFFICIENCY

In addition to establishing machinery for wage-adjustments in poorly paid and inadequately organized trades, two somewhat wider objectives were also sought by the Trade Boards Acts. As suggested by debates in the House of Commons when the act of 1918 was under consideration, these constituted¹ promotion of industrial peace and² improvement of the conditions of trade.

The report of the Whitley Committee on relations between employers and employed tacitly recognizes that industrial peace is as fundamental to the economic health of society as is peace of mind to the health of the individual. In recommending organization of voluntary joint industrial councils and extension of the statutory wage-fixing machinery, the Committee further recognized that the only sure foundation for industrial peace is the worker's peace of mind, that in turn ultimately depends upon satisfaction of two basic human desires, the one for adequate purchasing power to meet material needs and the other for personal power to determine the conditions under which his labor shall be offered. Voluntary organization of both employers and workers was therefore regarded as requisite to industrial peace by this committee.¹

But there were some trades where, on account of the predominance of women workers, an exceptionally low level of wages, or the unskilled nature of the work, ef

¹ Whitley Committee, *Second Report on Joint Standing Industrial Councils*, 1917, secs. 21-23.

fective voluntary organizations had failed to develop even under the impetus of war. For such trades substitute bodies in the form of Trade Boards were proposed to carry on wage negotiations pending growth of negotiating instruments from within industry. Through these external negotiating bodies it was hoped to appease industrial conflict. Moreover, the Committee expected the Trade Boards themselves to contribute towards strengthening voluntary organizations on both sides.²

EFFECT OF WAGE LEGISLATION UPON WORKER ORGANIZATION

Experience with the Trade Boards Act of 1909 supported this hope. Though nucleus organizations of workers had initiated establishment of the Trade Board for most of the trades brought under this act, further organization was greatly stimulated by operation of that Trade Board once it had been set up. When approached with the arguments that membership in a union would insure direct representation upon a Trade Board, that strong organization increases the probability of obtaining fair rates from a Trade Board, and that through effective organization the enforcement of Trade Board rates is rendered more complete while redress of grievances becomes quicker and easier, the average worker responded favorably.

Under able and dynamic leadership the National Federation of Women Workers was able in this way to build up a considerable membership among Trade Board trades before the War. In 1908 this organization counted only a scattered few from the chain and hollow-ware trades among its members. But in 1914 there were approximately 1,700 chain-makers and 1,000 hollow-ware

² The same.

workers on its list. The membership of one union represented on the first Tailoring Trade Board increased 200 per cent between the time when the Board was established and the outbreak of the War. Substantial increases in the membership of trade unions from the sugar confectionery, shirt-making, lace finishing, paper box, and tin box trades were also attributable in large degree to the influence of the early Trade Boards.

The amending act of 1918 became effective in a period when worker organization in general was rapidly gaining ground. By 1920 the total membership of employees' associations reached an all-time high at 8,347,000.³ Some 4 million remaining outside trade union ranks assumedly comprised those workers most difficult and perhaps impossible to organize. And it was primarily these workers who fell within the ambit of the Trade Boards. Nevertheless establishment of nearly every Trade Board in 1919, 1920, and the first months of 1921 was accompanied by a fresh spurt of organization among its workers. How strong the organizational impetus was depended largely upon the effort and conviction put into recruiting and, of course, to some extent upon other conditions peculiar to each trade.

The button-making trade, for example, represents one trade in which organization was definitely achieved as a result of establishment of a Trade Board early in 1920. Prior to that time only the male pearl button workers had been successfully unionized. Immediately following fixation of the initial Trade Board rates some 90 per cent of the women employed in London button factories were readily organized by the National Federation of Women Workers and the employers also became feder-

³ Ministry of Labour, *Twenty-Second Abstract of Labour Statistics of the United Kingdom*, p. 137.

ated. Considerable progress was made towards organizing the Birmingham light metal trades just following the Armistice and in the early days of the Stamped or Pressed Metal Wares Trade Board. Doubtless both the momentum of organization in munitions industry during the War and the setting up of a Trade Board contributed to this growth. Quite a substantial trade union membership of laundry workers was also acquired, and distinct gains were made in many other Trade Board trades before the depression cut them short.

In most cases these gains were lost, however, when business depression settled over Great Britain. With its advent in 1921 came a sharp decline in general trade union membership, which finally touched bottom in 1933 at the figure of 4,389,000⁴ or a little more than one-half the total membership at its peak. In common with practically all other industries, union membership in Trade Board trades gradually dropped off as unemployment, short time, or reduced wages rendered payment of dues impossible. Almost the entire organization of laundry workers, who on account of the personal service nature of the industry were especially hard hit, was eventually wiped out.

This decline in union membership again raised an issue as to the value of Trade Boards. Whereas in 1921 Trade Boards had been wholeheartedly supported by practically all representatives of labor, the opposition coming almost exclusively from employers, in 1931, as total trade union membership approached the lowest figure since 1915, a sincere division of opinion developed amongst trade unionists themselves upon the question whether Trade Boards helped or hindered organization. While the first-hand experience of some organizers con-

⁴ The same.

vinced them that Trade Board legislation definitely facilitated organization and the consummation of wage agreements in Trade Board and perhaps non-Trade Board trades as well, that of others led to a contrary conclusion. The one group contended that workers considered union membership unnecessary because the Trade Board fixed their wages satisfactorily without the expenditure for union dues. Even old members were said to have dropped out on this account. And it was also asserted that employers, both in trades where a minimum wage applied and where it did not, frequently refused to become party to collective agreements on grounds that they need not pay more than the legal rates.

Organizers of the opposite opinion insisted that trades in which Trade Boards were said to block organization were actually those where, even before the acts had been applied, little progress could be made. They pointed to the definite numerical gains made in other industries following inauguration of the Trade Board and held the fact that all the competitors of a given firm are required to pay the legal minima and so are prevented from cutting the basic rate to be a forceful argument in securing agreements to pay higher wages. At worst, they contended, Trade Boards could be no greater menace to organization of workers than good wages without a Trade Board, as in the cigarette industry, for example. The suggestion was also made that trade unions should play a more vital part in Trade Board activity, in order to draw new members.

In response to complaints of this nature a sub-committee of the Trade Boards Advisory Council of the Trades Union Congress was deputed in 1931 to inquire into the working of Trade Boards in relation to organizational matters, with a view to formulation of a policy

by the trade union movement.⁵ No positive evidence was adduced in support of the contention that Trade Boards were responsible for a decline in trade union membership. Though several union officials expressed personal opinions to the contrary, the majority of the committee, taking cognizance of the general decline in membership incident to the depression, concluded:⁶

1. That since 1922 Trade Boards have maintained the wage level or prevented wage rates from falling when trade was bad.

2. That there can be no exact apportionment of responsibility as between Trade Boards themselves and the general causes which have operated in all trades to curtail union membership.

3. That Trade Board rates compare favorably with rates in like trades to which the Acts have not been applied except where such trades are organized.

4. That in certain cases union recognition followed by negotiation with employers' associations has been assisted by the existence of Trade Boards, though cases to the contrary were also mentioned.

5. That existence of Trade Board rates has proved a help in establishing or maintaining similar rates in non-Trade Board rates.

6. That the existing Trade Boards must continue for the present, even in those trades which might be expected to respond to normal Trade Union methods.

7. That proposals for establishment of new Trade Boards should be carefully considered by the unions concerned and approved only when the prevailing rate of wages in a trade is unduly low, in trades where no adequate machinery for collective bargaining exists or where trade union organization is not likely to be established and where the conditions of workers urgently require statutory action.

⁵ See App. A, p. 359 for list of trade unions affiliated with the Trades Union Congress having members in Trade Board trades.

⁶ Trade Boards Advisory Council, First Report of the Enquiry Committee (galley proof).

8. That certain alterations in the Acts and certain administrative changes should be recommended.

Even the unions most severely criticizing the operation of the Boards concurred in the opinion that there should be no recommendation for the abolition of any existing Trade Board, as is permissible under the acts. And all the legislative changes suggested by this committee were calculated to extend rather than to limit the scope of Trade Board activity. Thus the opposition of certain trade unions collapsed after investigation in 1931 in much the same way that the opposition of some employers had disintegrated with the Cave Committee inquiry in 1921. In both cases this opposition had been primarily engendered by the impact of a general business depression upon particular interests.

With a general revival of industry beginning in 1934, trade union membership again expanded. In 1937 the total number of trade union members was 5,851,000 as compared with 5,305,000 in 1936.⁷ The trades covered by Trade Boards are sharing fully in this growth. And in order to take full advantage of the possibility of wage improvement, proposals for establishment of several new Trade Boards are again pressed by the Trade Boards Advisory Council with general approval of the body of trade union members.

✓ The organization of agricultural workers also appears to have been materially assisted by passage of the first agricultural minimum wage legislation in 1917. Since 1924, however, the influence of minimum wage legislation in this direction has been less noticeable. Though the number of organized agricultural workers had been

⁷ Ministry of Labour Gazette, October 1938, p. 402.

growing by annual leaps since 1911, the percentage of increase in 1917 over 1916 and in 1918 over 1917 was considerably greater than in any years prior to that date. In 1920 there were more than four times as many agricultural workers in trade unions as there had been in 1917 when the Corn Production Act was passed.⁸ But with the repeal of this act and the onset of depression in 1921, the number dropped 30 per cent, and from that year declined almost continuously despite new wage legislation in 1924, until it reached a low in 1933.⁹ With gradually improving agricultural conditions, the number of organized workers has picked up in the last few years, but has only reached a meager total of 40,800¹⁰ members out of approximately 740,000 workers eligible for membership in 1937, compared with 210,600¹¹ members out of a possible 996,000 in the trade union heyday of 1920. Except for the immediate impetus to organization following stabilization of wages and pegging prices under the Corn Production Act, generally depressed agricultural conditions coupled with relatively low wage standards seem to have outweighed any encouragement to organization which the Wages Committees might otherwise have offered.

Though some trade unionists express disappointment because the encouragement given to organization by the original schemes of wage regulation in industry and agriculture has not been sustained in later years, the ma-

⁸ Ministry of Labour, *Nineteenth Abstract of Labour Statistics of the United Kingdom*, p. 167.

⁹ Ministry of Labour, *Twentieth Abstract of Labour Statistics of the United Kingdom*, p. 139.

¹⁰ *Ministry of Labour Gazette*, October 1938, p. 402. In addition a considerable number of agricultural workers belong to a general labor union.

¹¹ Ministry of Labour, *Nineteenth Abstract of Labour Statistics of the United Kingdom*, p. 167.

majority recognizes that adverse economic circumstances have merely overbalanced their inherent organizational potentialities. And few, if any, members would deny that both the Trade Boards and the Agricultural Wages Acts have on the whole given impetus, prestige, and dignity to trade unionism. By insuring to unorganized workers the right to participate in the negotiation of their own wage contracts and by facilitating collective agreements in industries to which they do not apply, these acts have also imparted increased stability to all worker organizations.

EFFECT OF TRADE BOARDS UPON EMPLOYER ORGANIZATION

The response of employers to efforts at organization has, perhaps, proved even greater than that of workers. Though less marked at the beginning, it has proved more constant over a period of years. In order to obtain representation upon a Trade Board, employers, like workers, tend to show interest in organization immediately a Board for their trade is announced. While workers band together to force minimum wage rates up, employers combine for the purpose of keeping them within reasonable limits. As a result the membership of existing associations has increased, while in other trades new associations have sprung up. Organizations of the Food Manufacturers' Federation, for example, was largely due to establishment of the Sugar Confectionery and Food Preserving Trade Board. The British Rope, Twine, and Net Employers' Association is another thriving organization, covering at least 85 per cent of the trade, which owes its inception to minimum wage legislation. For many years futile attempts were made to form an organization of blouse manufacturers. But they met with success only after the Dressmaking and Women's Light Clothing

Trade Board began its work. Though originally formed in 1886, the Institution of British Launderers, Ltd., in large part owes its present strength to the formation of the Laundry Trade Board in 1919.

In some of the other large industries later brought under the acts, employers received the original impetus to organize from the necessity for representing their interests before the different wage tribunals during the War. But the smaller and less cohesive trades failed to recognize that advantage until more directly affected by a Trade Board. The simple fact that a trade is defined for Trade Board purposes creates a trade consciousness previously absent, and often eventuates in an employers' association. Though there still remain Trade Board trades where no organization of employers has yet been effected, the fact of organization itself is regarded by many employers as one of the greatest benefits derived from minimum wage legislation. This point of view is vividly expressed in the statement of a leading employer made at the annual conference of the aerated waters industry in 1921, who said:

The greatest value we have attained through the Trade Board is that instead of a number of isolated units commonly called "pop-makers" by the public and looked upon as such, we have now become a compact body of Aerated Water Manufacturers out mutually to help one another. . . . Instead of injuring it [the trade] in any way, it [the Trade Board] has helped to stabilize matters and has consolidated the trade into a compact body, respected not only by the trade themselves, but by the public in general.¹²

Besides this growth of trade consciousness employers have found organized action through the Trade Boards beneficial in another way. This has come about through

¹² Dorothy Sells, *The British Trade Boards System*, p. 189.

raising the plane of competition. In most of the Trade Board industries, there was a wide variation in the character of technical equipment, management, and working conditions in the different plants. Those which were poorly located, equipped, or managed often resorted to extreme pressure on wage rates and working conditions as a means for keeping a place in the struggle for survival, thereby introducing types of competition that the better grades of employers regarded as unfair or cut-throat.

Fixation of minimum rates of wages has leveled up wage standards throughout these trades, at least to that formerly maintained by the best employers. This has resulted in the elimination of "hole-in-the-wall" employers who had previously paid considerably less than the "good" employers, who were thus placed on a ^{3c} sounder business footing through the removal of exploi- ^{er} taive wage competition. In the laundry, aerated waters, waste reclamation, and linen and cotton handkerchief trades, especially, employers attest to this benefit. A statement recently made to the writer by the secretary of the Institution of British Launderers Ltd., Mr. J. J. Stark, expresses the general view upon this point. Mr. Stark said:

Before the War many laundry employers felt ashamed of the low wages paid and the long hours worked in their industry, but they could not do much to improve matters because of the price competition of those employers who would not voluntarily increase wages or decrease hours.

The Great War created a shortage of workers and consequent increases in average wages and decreases in normal working hours. At the same time many laundry employees became Trade Unionists which brought higher wages by negotiation.

Just at the time of the great slump in trade in this country the Laundry Trade Board was established and prevented the

decrease in wages that would probably have taken place at the time that the cost of living began to decrease. Many launderers objected to what they looked upon as Governmental interference with wages, but they soon found that it was a good thing that none of their competitors could pay lower wages than those decided upon by the Laundry Trade Board. I am certain that if a ballot were taken today, the great majority of laundry owners would be against the abolition of the Laundry Trade Board.

During the whole of this period of 20 to 25 years the Institution of British Launderers (or as it was then entitled—the National Federation of Launderers Ltd.) was carrying on an educational campaign amongst the members of the industry in favor of shorter hours, labour saving machinery, technical training, ethical methods of business, etc., etc., which raised the status of the industry, with the result that whereas the more enlightened launderers used to be rather ashamed of being known as such, they are now proud of their vocation.

EFFECT OF WAGE LEGISLATION UPON INDUSTRIAL DISPUTES

It is obviously impossible to make a strictly quantitative determination of the effect which the British Trade Boards and Agricultural Wages Committees have had upon the frequency, size, and intensity of strikes or other forms of active dispute. There is, however, widespread opinion among informed persons to the effect that the various wage acts have contributed in a very important way towards lessening labor warfare. This view is well expressed in the following quotation:

... experience indicates that the determination of a Legal Minimum Wage by a Joint Board, and the Board's freedom at any time to vary the rate on the initiative of either the wage earners or the employers, may well lessen the number and even mitigate the bitterness of industrial dislocations. There is a change of attitude. The Trade Union finds a new form of corporate activity, and the Trade Union official exercises a new function, the advantage of which the whole body of members gradually recog-

nize, namely the preparation of cases for the Board and their advocacy before that tribunal: . . .¹³

Though strikes are in no way restricted by the terms of the minimum wage acts, numerous and serious disputes are not to be expected among unorganized and low-paid workers. The mere fact that outbreaks have seldom occurred would not, therefore, be conclusive evidence that this legislation has had a significant effect in promoting industrial peace. The history of labor movements shows, however, that even the weaker and more inarticulate groups are progressively brought within the area of labor conflict when militant methods are relied upon for dealing with labor problems. And, conversely, democratic and orderly procedure with regard to the vital matter of wage fixing among employers and workers nearest the poverty line engenders a spirit of cooperation at the bottom of the ladder which spreads to those on the higher rungs.

As a matter of fact, the aggregate of working days lost from all disputes in Great Britain has shown a marked tendency to decline, especially in the last decade. In 1933 the figure reached the lowest point in the 40 years for which records are available.¹⁴ And in 1934 it dropped still lower. Though a slight rise occurred in 1935, 1936, and again in 1937 with an upswing in business, the British disputes record compares most favorably with that of the other important industrial countries. How has it been achieved? Though price movements, disputes legislation, and social change have doubtless had their temporary effect, it is generally conceded that the chief factor conditioning Great Britain's relative freedom from industrial

¹³ Sidney and Beatrice Webb, *English Poor Law History*, Vol. II, Chap. VI, p. 564.

¹⁴ *Ministry of Labour Report*, 1933, p. 83.

warfare has been the habit of consultation and cooperation between employers and workers which has been gradually built up through the collective bargaining in its various forms.

In this collective bargaining structure the statutory wage-fixing machinery constitutes the cornerstone. It holds this key position not simply because it removes the most prolific subject of dispute from the field of controversy for a small fifth of all British workers, nor because it raises a floor under the whole wage structure, but primarily because the peculiar type of machinery established under the various minimum wage acts guarantees to both workers and employers in the least advantageous economic position a voice and a responsibility in making their own wage and hour contracts. This is not to say that wages boards are a cure for strikes. On the contrary, coal mining, where a system of Joint Boards nominally exists, has for many years been the storm center of industrial strife owing to peculiar circumstances with which even strong labor organization is unable to cope. Wages boards have made significant contributions to industrial peace, however. Even though they have not enjoyed the broad scope originally recommended by the Whitley Committee, they have provided a channel through which the power of self-government and adequate purchasing power are at least to a limited extent realized. The opportunity thus afforded employer and worker representatives for continuous discussion of concrete industrial problems "round a table" has also generated a mutual understanding and an easy friendliness which spreads far beyond the boundaries of the particular trades covered by wages board machinery. The existence of such bodies, moreover, endows both the industry and the organs of both parties to industry with a new entity and function

likewise operating in the interest of industrial goodwill.

This view is corroborated from the trade angle as follows:

There can be no doubt—as we have proved constantly in the Trade Board Trades—that the effect of having agreed working conditions which it is known are effective generally, is to consolidate the morale of the trade and to bring together the various parties of the trade in many ways that were not possible before.¹⁵

As to the effect of minimum wage determination upon agriculture, a summary report upon the operation of the Agricultural Wages (Regulation) Act, 1924, made by the Minister of Agriculture and Fisheries concludes that:

Wage control has been accompanied by an absence of industrial disputes in agriculture during a period [1924-30] when, if there had been no statutory system of wage regulation, the industry would undoubtedly have experienced great difficulty in adjusting wage rates to the changing value of produce, the variations in the cost of living and the general conditions of the labor market. Agriculture in this country has fortunately had comparatively little experience of the evils of strikes and lock-outs, but it is obvious that the cessation of all work for wages on farms at certain periods of the year would inflict extremely serious injury upon the industry. How far the fact that agriculture has been spared this misfortune in recent years is in any way due to the Act of 1924 is a matter on which the present writer would not venture to offer an opinion. While it is certain that in some districts the organization at present existing among farmers or agricultural workers is insufficient to lead one to suppose that a strike or lock-out could be enforced over a wide area for a considerable period, there are other parts of the country where undoubtedly the existing organizations are sufficiently strong for this purpose. So far, there has been practically no indication that either employers or workers in any district desire to reject the decision of the Wages Committee and appeal to the clumsy

¹⁵ F. W. Leggett, C. B., principal assistant secretary to the Ministry of Labour, address before the National Council of the Pottery Industry, Stoke-on-Trent, Apr. 5, 1937.

and wasteful methods of strikes and lock-outs. In attempting to assess the results of the experience of wage administration this is one aspect the importance of which should not be overlooked.¹⁸

Besides fostering amicable relationships between employers and employed the influence of wages boards has certain broader aspects. Through permanent representative bodies unhampered by legalism, rival unions have learned to solve common problems together. The strife between competing employers due to wage cutting has also been removed. Participation of rank and file members has educated future employer and worker leaders and trained new members in the subtle art of negotiation in a larger and more effective way than could otherwise have been achieved. With the assistance of appointed members all aspects of the wage problem are considered, the social point of view, and that of allied trades, in addition to the well-being of the employers and workers directly concerned. The Trade Boards and Agricultural Wages Committees have thus become a factor in creating that fine integration of personal, group, and social interests known as social consciousness, which has increasingly manifested itself in Great Britain during the last two decades.

EFFECT OF WAGE LEGISLATION UPON INDUSTRIAL EFFICIENCY

Though some employers continue to oppose application of the minimum wage principle to their trades, almost without exception those whose businesses have long been subject to Trade Board regulations express their approval. This reversal in the attitude of 1909 has come about partly because the odium of "sweating" which attached to trades brought under the first act was removed by the amending law of 1918. But it is largely the direct

¹⁸ Agricultural Wages Report, 1930, pp. 32-33.

result of distinct advantages which employers have reaped from operation of the acts.

Better wages make better fed, healthier, and better satisfied workers; they attract more efficient workers to the trade; they mean the elimination of workers who prove incapable of normal production, or allow their employment at lower rates; and they therefore tend to result both in a better quality of work and in greater unit output. But output has also been stimulated by the Trade Boards in more substantial ways.

Again and again it has been asserted both by employers themselves and by impartial investigators that the Trade Board rates have proved an important factor in stimulating the growth of factory methods, including the introduction of machinery, especially in the clothing and laundry trades, as a means of effecting economies in costs to offset the extra burden imposed by an increase in wages.¹⁷ That it has been possible to compensate for a larger wages bill in this manner is largely due to the fact that among the more important industries mechanization has moved forward with great strides in England since the War, much as it did in the United States just prior to 1914. In 1913, for example, only 8 per cent of the total quantity of coal in Great Britain was cut by machines, but between 1929 and 1935 alone the proportion rose from 26 per cent to 51 per cent. What the minimum wage has done, therefore, is to accelerate machine production in the small industries to which it applies, industries which in the natural course of events would have lagged far behind such industries as coal mining in this respect.

In the effort to maintain the legal rates of wages with-

¹⁷ London School of Economics, *The New Survey of London Life and Labour*, Vol. II, p. 8; also Sells, *The British Trade Boards System*, pp. 226 ff.

out increasing costs of production, not a few employers have also discovered means of increasing output by improving equipment, organization, supervision, and methods of work. The initiative for such changes has in many instances come from the Trade Board inspectors themselves, who in the course of investigating underpayment of workers have at the same time discovered its source. Both the first-hand testimony of employers and the reports of inspectors supply ample illustration of this fact.

In one establishment making corsets, where non-compliance was found, the equipment was fairly good, but the machines were of varying values owing to different gauges, and the organization was bad. Machine operators fetched and carried their own work, which the inspector considered should have been done by juveniles. The stitchers were obliged to leave their machines idle about 10 per cent of the working day while they did mending. Supervision was also slipshod. After the inspector pointed out these deficiencies, they were corrected, with the result that output was considerably increased.

Equipment, organization, and supervision were again found out of joint in a shirt-making firm maintaining that it was unable to pay the minimum rates. The inspector reported that the machines were very poor and worn. During one of his short visits breakdowns occurred on three machines. The workers themselves did the repairing, losing 8 to 15 minutes each time. No time records were kept, the workers coming and going as they pleased. The work was also given out irregularly and was done in short runs; its quality thus varied considerably from time to time. The employer admitted that the low earning power was due to adverse working conditions. The forewoman was replaced by a foreman who

could keep the machines in tune and who was firm about timekeeping.

An inspection was requested by a laundry firm where the management feared the piece rates, though apparently high, might not satisfy the Trade Board requirements. The earnings of pieceworkers were found inadequate by about 25 per cent, but the piece prices were the same as had in other circumstances yielded higher earnings. Investigation disclosed that the reasons for this were: (1) waiting for work, especially on Fridays; (2) time lost by ironers in fetching and carrying their own work; (3) faulty preparation of work, that is, too wet or too dry; (4) ironers doing their own gophering; (5) workers folding and pinning shirts after ironing them. The inspector made suggestions to remedy each of these conditions in order to bring up the piecework earnings to the legal requirements.¹⁸

The clause in the act (1918) providing that all the time spent by a worker at an employer's premises for the purpose of employment must be paid for has inspired many alterations in working methods to eliminate waiting and other forms of non-productive time. The work in a tailoring shop, for example, is usually performed by teams of three, a cutter, a machinist, and a fitter-up. If one of these workers is slow, if the machines are not properly geared, if the work is badly planned, or if any other maladjustment occurs, one or more of the team may be left idle. Overtime rates may even have to be paid to insure completion of an order on time. To prevent such increases in cost greater managerial efficiency, sometimes involving complete reorganization of a firm, is required.

¹⁸ Cave Committee Evidence, pp. 108-09. For further illustrations, see Sells, *The British Trade Boards System*, pp. 224-34.

In other instances, the obligations to keep adequate wage and time records, and to fix piece-rates on a definite and known basis, have led employers to compare output with wages and to institute measures such as alternation of quick and slow workers, etc., to bring up total production. The requirement, common to most Trade Board orders, that the wages of juveniles shall be regularly advanced by yearly or half-yearly periods, and provision for the training of learners and apprentices have impressed employers with the necessity of putting them on the most productive work of which they are capable. Both the worker and the employer thus benefit.

Another way in which Trade Boards have proved effective in the interests of employers is by hastening standardization in a trade. In addition to standardizing wages, the classification and naming of jobs in connection with fixing piece-rates, the dissemination of trade knowledge through discussion of trade matters at Board meetings, and the organization of employers and of workers have all helped to increase general efficiency, to create trade solidarity, and to construct a fair foundation for competition. This not only works toward enhancement of the national income but brings increased business to the trade as a whole and helps it to prosper.

All such improvements in efficiency help to offset the increased wages bill resulting to some employers from minimum wage legislation, or may even mean a net gain. How great the economies which can be effected or how great the burden of increased wages may be, of course, depends to a large extent upon the proportion which the cost of labor bears to other costs of production, as well as upon the degree of technical efficiency existing prior to establishment of a minimum wage. Broadly speaking the lowest wages prevail in the least technically advanced

establishments. The fact that a general movement towards mechanization in Great Britain has coincided with development of minimum wage legislation has therefore proved a great advantage to the majority of employers coming under its aegis. But some trades and some firms in a trade naturally lend themselves more readily than others to improved methods.

In the same way labor costs vary from trade to trade in relation to the cost of overhead and of raw materials. Some of the strongest opposition to Trade Boards for example, has in the past emanated from the distributive trades where labor costs in most branches of the trade amount to a small proportion of total costs as compared with perhaps half in the clothing trades which have readily adjusted to the minimum wage requirements, and where the possibility of economy by mechanization is on the whole much greater. Within limits, however, the relation between labor and other costs may be, and has been, favorably altered by many firms in many trades through improved organization and use of technical devices. Even in agriculture, improvements of this type have followed the application of minimum wage legislation.¹⁹

Combining all of the available evidence it appears that the Trade Boards have been able over a period of many years to increase wage rates materially in the trades which they covered without causing industrial dislocation. Advantages in the way of fairer competitive conditions, increased efficiency, and greater freedom from disputes or interruptions to work have accrued to the employers as well as to the workers concerned.

Notwithstanding the important role played by tech-

¹⁹ Agricultural Wages Report, 1930, p. 33, and *The Economist*, Sept. 3, 1938, p. 446.

Technical progress and the trend towards better organization in producing this satisfactory result, the outcome of minimum wage legislation might have been quite different had it not been for two human factors concurrently at work: (1) the method by which the Trade Board Acts were applied, and (2) the attitude of employers to whom the acts were applied. By bringing industries under the acts one by one over a period of several years, by giving opportunity for direct representatives of every branch of each trade on both sides to be heard, by increasing wages gradually and by permitting reasonable differentiation where temporarily required, minimum rates have been fixed in such a way that it was possible for them to be absorbed and to be enforced. Of equal importance is the reasonable attitude of the main body of British employers towards minimum wage legislation, who, once such legislation was enacted, accepted it with good grace and definitely set out to cooperate with the government in making it a success.

CHAPTER XII

MINIMUM WAGE DETERMINATION AND ECONOMIC DEMOCRACY

At the outset of this study the question was posed: What is the best method of applying the minimum wage principle in a democratic régime? In this connection it is significant that the major objectives of those promulgating wages board legislation in Great Britain are in line with what they regard to be industrial democracy. The first of these objectives is democratization of income, which implies a leveling up of economic opportunity as measured by purchasing power. In practice this means increasing the income of those in the lowest brackets so far as is compatible with productive contribution. The second is democratization of the method of wage fixing, which involves self-determination in the negotiation of work contracts through comprehensive collective bargaining between representatives of those who supply the plant and organization and those who supply the labor.

But these two objectives are actually interrelated. The practical workability of wage rates depends in large part upon a mutual understanding between the two parties to industry with regard to the factors entering into wage determination as well as a belief in the fairness with which wages are weighted and the thoroughness with which they are considered. Stated from the other side, the chances of making wage adjustments which will in the long run effect permanent improvement in the purchasing power of the less favorably situated workers are much less, when wage rates are arrived at by use of a formula or by administrative dictation, than

when they are the result of joint negotiation and reconciliation between those having divergent interests but a common desire that the industry shall prosper. An appraisal of the British wages boards as a method of minimum wage determination must, therefore, include their contribution towards realization of both these objectives of industrial democracy.

The analysis in Chapters X and XI indicates, within the limits of available information, what have been the results of three decades of British wages board action upon purchasing power and its correlative aspects, industrial peace and efficiency. But perhaps even more significant has been the effect of wages board operation upon industrial self-determination.

Until the individuals constituting the *demos* become capable of self-determination, democracy cannot be put upon a footing of demonstrated workability. But people are not born with the capacity for self-government—personal, political, or industrial. It is consequently the first business of democracy to provide the necessary means of education for democracy in all the major fields of national activity. Capacity for self-government is not developed merely by learning *about* democracy from textbooks. It must be learned by practice. Personal participation of every citizen in the democratic process of self-government designed to attain the good of the whole people is a prerequisite. It is not enough for those to whom the government of the people has been entrusted by the people to pass laws or promulgate administrative rulings which they believe will equalize and improve the material well-being of the people. The administrative features of every such law should embody the means for inaugurating, among those to whom it applies, an educational process with regard to its im-

mediate purpose by drawing them into direct participation in the establishment of standards and the effectuation of compliance.

Initial steps towards education for democracy have already been taken in the United States. In the naturally small-scale industry of agriculture, for example, a distinctive scheme of economic education involving widespread individual participation has been built up over a long period of years. Under the philosophy of "economic democracy" it is now receiving further stimulus through mutual development for federal and state institutions. In the field of industry, however, a greater concentration of control and a sharp separation between the employer and employing classes have led to a different pattern of organization markedly less democratic in character. Furthermore, attempts to ameliorate conditions of industrial workers have tended to encourage reform "from the top-down" rather than to foster the evolutionary development of more satisfactory conditions "from the bottom up" through active participation of all the parties directly interested. Even when a democratic form of organization has been established, as under the state minimum wage laws providing for wages boards, the tendency has usually been to emphasize the amount of the wage at the expense of the method by which it was to be arrived at.

Under the Fair Labor Standards Act machinery providing for democratic wage determination is inaugurated in the industrial field. Within definite limits that act vests representative industrial committees with the final power to determine the minimum rate of wages. But other provisions place the administrator in a position to determine whether or not these committees shall operate democratically. Upon the policy adopted in re-

lation to these committees the success or failure of the Fair Labor Standards Act to a large extent hinges.

What have the members of British wages boards to tell us on this point? When the homemaker from Dorset who has spent most of her days sitting on the cottage steps mending nets and looking out upon the changeless sea goes to London to attend the Trade Board meeting, she learns something about the net making business, about human beings, and about cooperative action that she carries back to her neighbors who sit on other Dorset steps mending nets and gazing at the ocean. When the leader of the employers' side in some unorganized industry matches wits with the workers' leader on the opposite side of the table, hears from the lips of women struggling for existence what the contents of their weekly pay envelopes will buy, and over a period of years becomes acquainted, not only with other employers in the trade and their peculiar problems, but with the workers also, he comes face to face with human life and with his own business in a new way that fundamentally alters his attitude towards the function of business, towards group action, and towards all social legislation.

In the give and take and the joint solution of problems constantly taking place in connection with the work of permanent, autonomous wages boards, a common understanding, a common purpose, and a common will have gradually developed among persons in the least advantageous economic position, gathered from all parts of the country, which represents the bulwark of industrial democracy. Through actual participation in wage fixing by a democratic technique, future employer and worker leaders have been trained in the art of negotiation and in social habits of mind, voluntary collective agreements have been supplemented, responsible

unionism has been encouraged, and a synthesis of antagonistic group interests has been brought about without any attempt at collusion or anti-social conduct.

Utilization of a method which works from the bottom up by the process of collective bargaining, rather than from the top down by government fiat has thus made it possible to put an extensive and complex minimum wage schedule into operation gradually and realistically, and to obtain a high degree of compliance at relatively little cost. Though the wages board system applies to less than one-fifth of all British industrial and agricultural workers, its educational influence has spread far beyond their scope. Indeed, the very fact that workers and employers least able to set up a voluntary system of wage negotiation are insured a voice in the making of their own wage contracts by statute places the wages board system in the position of keystone to the whole collective bargaining structure. And collective bargaining being as fundamental to industrial democracy as parliamentary government is to political self-government, the wages board system thus assumes a uniquely important role.

In comparison with the advantages peculiar to the democratic wages board method of wage fixing as exemplified by the experience of Great Britain, its weaknesses seem unimportant, especially as they are, for the most part, the result of world economic conditions rather than any inherent defects of the system. Notwithstanding a considerable increase in the rates of nominal and real wages since the War, the average wage fixed by the wages boards, especially those applying to agriculture, are still too low in a number of trades, nor are they as high as estimates of the amount required for a comfort level of living indicate they should be. They have, however, been higher in some cases than the rates fixed by

voluntary action in some of the depressed but better organized industries. Moreover, it seems probable that general and specific economic conditions are chiefly responsible for this defect. From the American point of view, if not from the British, a lack of factual data in connection with wage determination is also to be marked up against the wages boards. But this shortcoming is not inherent in the system. Again, in periods of rapid price changes, the operation of wages boards, like that of other democratic instrumentalities, has proved somewhat cumbersome and slow. Though it is possible that minor changes in the acts might speed up the machinery, it is also probable that lack of speed in such matters is a price that has to be paid by democratically inclined people. The relative permanence of the results from the tortoise-like movement of this democratic machinery, however, more than offsets its failure in hare-like attainment of the goal.

That the wages boards have proved on the whole so strikingly successful in achieving their objectives must be attributed to a number of interacting factors. Perhaps most important is the fact that the system has developed gradually, variations of the prototype law having been enacted to suit the peculiar conditions in different industries or groups of industries, and wages boards for these different industries having been set up one by one as occasion demanded. In this way it has been possible to extend application of the wages boards without attempting too large a task at one time, while a growth in the conception of their function has also taken place without frequent amendment of the acts. Certainly fundamental to their success also has been the business approach of the boards and committees to the wage problem as opposed to a reformist or a sentimental point of

view. The boards have not attempted to do too much or to do it suddenly, yet employers and workers have both participated in deciding just what the wage level should and can be.

The continuity of the wages board personnel, their autonomous as contrasted with an advisory capacity, and the fact that price fixing has in no way been connected with their activity, constitute other reasons for their effectiveness. The sense of fair play created by the authorities in whose hands administration lies has been reflected in the attitude of employers who have, with few exceptions, accepted the law without protest or attempts at evasion or obstruction. The workers on their part have exhibited a rare reasonableness, even to the point of taking wage cuts without resorting to direct action. In the author's view, the British wages board system has thus developed into a living organism, dynamic, capable of growth and adaptation to changing economic requirements, and dedicated to the service of the public good.

APPENDIXES

APPENDIX A
ILLUSTRATIVE MATERIAL

Sample Agenda of a Trade Board Meeting

OTB/.../1937.

Telegraphic Address:
TRADBORDS, SOWEST, LONDON

Telephone No.:
WHITEHALL 6200.

Cyclo.../1937.

OFFICE OF TRADE BOARDS,
METROPOLE BUILDINGS,
NORTHUMBERLAND AVENUE,
LONDON, W.C.2.
10th November, 1937.

To members of the ... Trade Board
(Great Britain).

You are hereby summoned to attend a meeting of the ... Trade Board (Great Britain), to be held in conference room B (first floor), *Metropole Buildings, Northumberland Avenue, London, W.C.2. on Thursday, 25th November, 1937, at 10.30 a.m.*, for transaction of the following business:—

1. Minutes of proceedings at the 41st meeting of the Trade Board, held on 8th July, 1936 (cyclo ... /1936 previously circulated).
2. Chairman's business.
3. Report of Ministry of Labour on inspection and enforcement in the trade for the year 1936 (cyclo ... /1937 previously circulated), and in connection therewith review of the Board's approval to a reduction in the amount of inspection (see item 5 of the report of the Administrative Committee (cyclo ... /1936) submitted to the Board on 21st April, 1936).
4. Correspondence with Ministry of Labour regarding the confirmation of variations of minimum rates, in accordance with the Board's Notice of Proposal ... (cyclo ... /1936 previously circulated).
5. Thirteen letters received from firms and associations of employers engaged in the ... industry regarding the proposals in the Board's Notice ... and received after the meeting on 8th July, 1936, as circulated herewith in cyclo ... /1936.
6. Motion, notice of which had been given by Mrs. ... , and particulars of which are contained in the preliminary notice of the meeting (cyclo ... /1937).
7. Letter dated 21st April, 1937, from Mr. ... and others, regarding the minimum rates for workers engaged in making ... , as circulated herewith in cyclo ... /1937.
8. Report of Special ... Committee (cyclos ... /36; ... /36 and ... /36 previously circulated).
9. Report of Administrative Committee of a meeting held on 6th November, 1936, as circulated herewith in cyclo ... /1937.
10. Communications dated 6th February, 1937, and 30th August, 1937, from Ministry of Labour raising questions of scope regarding the making of certain [products] as circulated herewith in cyclo ... /1937.
11. Communication dated 22nd June, 1937, from Ministry of Labour raising a question of scope with regard to certain workers making ... , as circulated herewith in cyclo ... /1937.
12. Other competent business.
13. Date of next meeting.

Secretary.

Trade Board Wage Order for Fustian Cutting
For Official Use

F.C. (11)

TRADE BOARDS ACTS, 1909 AND 1918

FUSTIAN CUTTING TRADE
(GREAT BRITAIN)

Order of the Minister of Labour confirming the variation of Minimum Rates of Wages for certain classes of Male and Female Workers, such variation of Rates being

EFFECTIVE FROM 30TH NOVEMBER, 1936,

together with a Schedule setting out particulars of the Rates as varied as aforesaid and setting out also particulars of Rates which became effective by virtue of previous Confirming Orders made by the Minister and which are unaffected by the present Confirming Order.

The Rates set out in the Schedule attached to this Order are also contained in the Notice F.C. (11) issued by the Fustian Cutting Trade Board (Great Britain) and dated 23rd November, 1936.

The Schedule to this Order contains all the Minimum Rates effective on 30th November, 1936, in the Fustian Cutting Trade in Great Britain.



LONDON

PRINTED AND PUBLISHED BY HIS MAJESTY'S STATIONERY OFFICE

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80 Chichester Street, Belfast;
or through any bookseller

1936

Price 3d. net

342

Whereas the Minister of Labour has received notification from the Trade Board established under the Trade Boards Acts, 1909 and 1918, for the FUSTIAN CUTTING trade in GREAT BRITAIN that the said Board has, in pursuance of the powers vested in it by the said Acts, varied the general minimum piece rates and overtime rates based thereon for male and female workers employed on hand cutting in the said trade, and the rates as varied are set out in the Schedule to this Order;

And whereas the Minister of Labour, having taken the matter into consideration, is of opinion that the variation of rates so made as aforesaid should be confirmed;

Now, therefore, the Minister of Labour in pursuance of the powers conferred by Section 4 of the Trade Boards Act, 1918, and of every other power in that behalf, hereby confirms the said variation of rates so made, and specifies the THIRTIETH day of NOVEMBER, 1936, as the date from which the same shall become effective.

Given under the Official Seal of the Minister of Labour, this nineteenth day of November, in the year One thousand nine hundred and thirty-six.

(L.S.)

T. W. Phillips,

Secretary of the Ministry of Labour.

The Minimum Rates varied and confirmed by this Order become effective from 30th November, 1936, and are those set out in Paragraph 1 of Part I of the Schedule below together with the overtime rates based thereon. In all other respects the Minimum Rates are in force under earlier Confirming Orders and remain in force without alteration.

BRITISH WAGES BOARDS

SCHEDULE

L—HAND CUTTING.

GENERAL MINIMUM PIECE RATES.

Paragraph 1.

General minimum piece rates for male and female workers (all ages) employed on hand cutting.

(a) SINGLE WIDTHS.

Goods known in the trade as:	Length of each piece in the "grey."	General minimum piece rates.	
		s.	d.
SLIP GOODS			
18 in. slips	150 to 154 yards	15	5
20 in. "	" " "	16	11
21 in. "	" " "	18	0
22½ in. "	" " "	18	7
24 in. "	" " "	20	9
27 in. "	" " "	23	11
28 in. "	" " "	25	1
30 in. "	" " "	27	0
36 in. cut all across	" " "	33	4
RACE GOODS			
18 in. race velvet	150 to 154 yards	28	4
20 in. " "	" " "	30	8
22½ in. " "	" " "	34	7
28 in. " "	" " "	46	6
21 in. up to and including 23 in. twill velveteen	" " "	35	2
28 in. twill velveteen	" " "	47	7
36 in. " "	" " "	60	3
28 in. common velveteen	110 to 112 yards	31	9
28 in. " "	150 " 154 "	43	4
¾ in. coarse velveteen (31-32 in.)	110 " 112 yards	30	11
¾ in. " " " "	150 " 154 "	42	3
28 in. ¾ velveteen 1 in. selvedge	110 " 112 "	28	7
28 in. ¾ " " " "	150 " 154 "	38	10
28 in. jig velveteen	110 " 112 "	28	0
28 in. " " " "	150 " 154 "	37	0
22½ in. twill velvet	" " "	37	0
28 in. " " " "	" " "	49	11
36 in. " " " "	" " "	65	6

In the application of the above general minimum piece rates, hand cutting includes any operation of beaming-up or liming, when performed by the worker who does the cutting.

(b) OVERLENGTHS.

In the case of goods for which the general minimum piece rates set out in paragraph 1 (a) are specified on the basis of a length of 150 to 154 yards, yardage in excess of 154 yards is subject to the following additional rates:

(a) SLIP GOODS:

						Per yard per piece.
						d.
18 in. to 27 in. goods	...	...	...	...	...	½
28 in. to 36 in. goods	...	...	...	...	...	1½

(b) RACE GOODS:

18 in. to 27 in. goods	...	...	...	...	...	1
28 in. to 36 in. goods	...	...	...	...	...	3

(c) DOUBLE WIDTHS (SPLITS).

WHERE SPLITS ARE DOUBLED the general minimum piece rate for the double width (splits) is twice the general minimum piece rate for the corresponding single width of the same length, as set out above, with the addition of 1s. 5d. per pair of double splits.

For example, the general minimum piece rate for cutting 40 in. double race velvet (splits) of 150 to 154 yards length "in the grey," is twice the general minimum piece rate for 20 in. single width race velvet (30s. 8d.) with the addition of 1s. 5d. i.e., 61s. 4d. + 1s. 5d. = 62s. 9d. per pair of pieces.

NOTE.—Every hand cutter, irrespective of age, when employed on piece work to which the general minimum piece rates apply, is entitled to be paid at not less than such general minimum piece rates. Hand cutters, when employed on piece work to which the general minimum piece rates do not apply, are entitled to be paid piece rates each of which would be sufficient to yield, in the circumstances of the case, to an ORDINARY worker (i.e., a worker of ordinary skill and experience in the class of work in question), at least the same amount of money as the appropriate general minimum time rate.

GENERAL MINIMUM TIME RATES.

Paragraph 2.

General minimum time rates for female workers employed on hand cutting (including any beaming-up and liming):

	Per week of 48 hours.
	s. d.
(a) LEARNERS, i.e. female workers who are employed in learning hand cutting and have not been employed on hand cutting (including any beaming-up and liming) for a period of more than one month	6 0
	Per hour. d.
(b) Workers other than learners to whom the minimum rates specified in Paragraph 2 (a) are applicable	5½

Paragraph 3.

General minimum time rates for male workers employed on hand cutting (including any beaming-up and liming):

	Per week of 48 hours.
	s. d.
(a) LEARNERS , i.e. male workers who are employed in learning hand cutting and have not been employed on hand cutting (including any beaming-up and liming) for a period of more than one month ...	6 0
(b) Workers other than learners to whom the minimum rates specified in Paragraph 3 (a) are applicable:	
	Per hour. d.
(i) Workers under 18 years of age	5½
(ii) Workers of 18 years of age or over	10

II.—POWER MACHINE CUTTING.

PIECE WORK BASIS TIME RATE.

Paragraph 4.

	Per hour. d.
Piece work basis time rate for female workers (all ages) employed on power machine cutting	7½

NOTE.—Every female power machine cutter, irrespective of age, when employed on piece work is entitled to be paid piece rates each of which would be sufficient to yield, in the circumstances of the case, to an **ORDINARY** worker (i.e. a worker of ordinary skill and experience in the class of work in question), at least the same amount of money as the piece work basis time rate of 7½d. per hour.

GENERAL MINIMUM TIME RATES.

Paragraph 5.

General minimum time rates for female workers employed on power machine cutting:

(a) LEARNERS , i.e. female workers who are employed in learning power machine cutting and have not been employed on power machine cutting for a period of more than two months—	
	Per week of 48 hours.
	s. d.
(i) During first month of employment	6 0
(ii) " second " " "	8 0
	Per hour. d.
(b) Workers other than learners to whom the minimum rates specified in paragraph 5 (a) are applicable	7

III.—ENDING AND MENDING
(all sections of the trade).

PIECE WORK BASIS TIME RATE.

Paragraph 6.

	Per hour.
	d.
Piece work basis time rate for all female workers employed on ending and mending	7½

GENERAL MINIMUM TIME RATES.

Paragraph 7.

General minimum time rates for female workers employed on ending and mending:

(a) LEARNERS, i.e., female workers who are employed in learning ending and mending and have not been employed on ending and mending for a period of more than twelve months—

	Per week of 48 hours.
	s. d.
During first month of employment	6 0
" second " "	7 0
" third " "	8 0
" fourth " "	9 0
" fifth " "	10 0
" sixth " "	11 0
" seventh " "	12 0
" eighth " "	13 0
" ninth " "	14 0
" tenth " "	15 0
" eleventh " "	16 0
" twelfth " "	17 0

Per hour.
d.

(b) Female workers other than learners to whom the minimum rates specified in paragraph 7 (a) are applicable 7

IV.—OVERTIME.

(See Note A below regarding restrictions upon the employment of male workers under 18 years of age and of all female workers.)

NORMAL NUMBER OF HOURS.

Paragraph 8.

In accordance with Section 3 (1) (c) of the Trade Boards Act, 1918, the Trade Board have declared the normal number of hours of work per week in the trade to be as follows:—

In any week 48 hours.

OVERTIME RATES.

Paragraph 9.

Overtime rates to apply in substitution for the minimum rates which would otherwise be applicable, in respect of time worked by a male or female worker in any week in excess of 48 hours:

(a) As respects workers employed on time work:

Time-and-a-quarter, that is to say, one and a quarter times the general minimum time rate otherwise applicable.

(b) As respects workers employed on piece work:

(i) as respects workers employed on work to which general minimum piece rates apply:

the appropriate general minimum piece rates and in addition an amount equal to one-quarter of the general minimum time rate which would have been payable if the worker had been employed on time work.

(ii) as respects workers employed on work to which no general minimum piece rate but a piece work basis time rate applies:

piece rates each of which would yield, in the circumstances of the case, to an ordinary worker at least the same amount of money as the appropriate piece work basis time rate, and in addition an amount equal to one-quarter of the general minimum time rate which would have been payable if the worker had been employed on time work.

(iii) as respects workers employed on piece work to which no general minimum piece rate and no piece work basis time rate applies:

piece rates each of which would yield, in the circumstances of the case, to an ordinary worker at least the same amount of money as the appropriate general minimum time rate, and in addition an amount equal to one-quarter of the general minimum time rate which would have been payable if the worker had been employed on time work.

V.—GENERAL PROVISIONS.**LENGTH OF PIECES IN THE GREY.****Paragraph 10.**

For the purpose of the minimum rates specified in this Schedule the standard of measurement in ascertaining the length of each piece in the grey is to be taken as 37 inches to the yard.

BASIS OF WEEKLY RATES.**Paragraph 11.**

The weekly minimum rates specified in paragraphs 2, 3, 5, and 7 above are based on a week of 48 hours and are subject to a proportionate reduction according as the number of hours of employment in any week is less than 48.

APPLICABILITY OF MINIMUM RATES.**Paragraph 12.**

The minimum rates of wages set out in this Schedule apply, subject to the provisions of the Trade Boards Acts, to all male and female workers in Great Britain, of the classes specified in this Schedule, who are employed during the whole or any part of their time in any branch of the trade specified in the Schedule to the Trade Boards (Fustian Cutting Trade, Great Britain) (Constitution and Proceedings) Regulations, 1933, which reads as follows:

Fustian Cutting, whether performed by hand or machine, and all processes or operations incidental or appertaining thereto, carried on in an establishment in which fustian is cut; but excluding the process or operation of stiffening.

DEDUCTIONS.**Paragraph 13.**

The minimum rates set out in this Schedule are payable clear of deductions (other than deductions under the National Insurance Act, 1911, as amended by any subsequent enactments, or deductions authorised by any Act to be made from wages in respect of contributions to any superannuation or other provident fund) and notwithstanding that they are deductions which may lawfully be made from wages under the provisions of the Truck Acts.

PAYMENT OF HIGHER RATES.

Paragraph 14.

The minimum rates of wages are without prejudice to workers who are earning higher rates of wages, or to agreements made or that may be made for payment of wages in excess of the minimum rates.

NOTE A.—The employment of male workers under 18 years of age and of all female workers is restricted by the *Factory and Workshop Acts*; the *Employment of Women, Young Persons and Children Act, 1920*; the *Children and Young Persons Act, 1933*, and the *Shops Acts*. Nothing in this Order authorises any breach of the requirements of those Acts.

BRITISH WAGES BOARDS

*Agricultural Wage Order for Bedfordshire
and Huntingdonshire*

Whereas the Agricultural Wages Committee for the area comprising the administrative counties of Bedford and Huntingdon, have, in pursuance of the above Act [Agricultural Wages (Regulation) Act, 1924], duly fixed minimum and overtime rates of wages for workers employed in agriculture for time work in that area and the said rates are set out in the Schedule to this Order. Now the Agricultural Wages Board, in pursuance of the said Act and for the purpose of carrying out the decision of the said Committee, hereby order that the provisions contained in the Schedule to this Order shall become effective on 31st October, 1937.

SCHEDULE.

1. The wages payable for the employment of male workers shall be not less than wages at the following minimum rates:—

<i>Years of age.</i>	<i>Per week.</i>	
	<i>s.</i>	<i>d.</i>
21 and over	34	0
20 and under 21	31	4
19 " 20	29	2
18 " 19	27	6
17 " 18	22	8
16 " 17	18	4
15 " 16	15	1
14 " 15	10	10
Under 14	9	0

For the purpose of this clause the expression "week" shall be deemed to mean a week consisting of the following number of hours:—

(a) In any week in summer 50, except in the weeks in which Easter Monday and Whit Monday fall, when the hours shall be 41.

(b) In any week in winter 48, except in the weeks in which Christmas Day and 27th December, 1937, fall, when the hours shall be 39½.

2. Where a whole-time male worker is employed by the week or any longer period and the hours of work agreed between the worker and the employer in any week (excluding hours of overtime employment) are less than the full number of hours mentioned above in respect of that week, the rate of wages applicable to that worker shall be such as to secure to the worker the wages which would have been payable if the agreed hours had been the full number of hours mentioned above in respect of that week.

3. The wages payable for the employment of female workers shall be not less than wages at the following minimum rates:—

<i>Years of age.</i>	<i>Per hour.</i>	
	<i>d.</i>	
18 and over	6½	
17 and under 18	5½	
16 " 17	4½	
15 " 16	3½	
14 " 15	3	
Under 14	2½	

4. For the purpose of all the above rates the hours of work shall not include meal times but shall include any time during which, by reason of weather conditions, an employer has

prevented from working a worker who was present at the place of employment and ready to work.

5. For the purpose of the above rates employment in summer shall be deemed to be employment during the period commencing on the first Sunday in March and ending on the last Saturday in October, and employment in winter shall be deemed to be employment during the remainder of the year.

6. The differential rates of wages for overtime employment shall be not less than the following minimum rates:—

Years of Age.	On Weekdays (except as provided in the next column).	On Easter Mon- day, Whit Mon- day, Christmas Day and 27th December, 1937.	On Sundays.
	<i>Per hour.</i> d.	<i>Per hour.</i> d.	<i>Per hour.</i> s. d.
(a) <i>Male Workers</i> —			
21 and over... ..	10½	11½	1 0½
20 and under 21	9½	10½	11½
19 " " 20	9	10	11
18 " " 19	8½	9½	10
17 " " 18	7	8	8½
16 " " 17	6	6½	7
15 " " 16	5	5½	6
14 " " 15	3½	4	4½
Under 14	3	3½	4
(b) <i>Female Workers</i> :—			
18 and over... ..	8	9	9½
17 and under 18	7	7½	8
16 " " 17	5½	6	6½
15 " " 16	5	5½	6
14 " " 15	4½	5	5½
Under 14	3½	4½	5

7. These rates shall continue in operation until 29th October, 1938.

8. For the purpose of the application of the above differential rates of wages for overtime employment, the Bedfordshire and Huntingdonshire Agricultural Wages Committee have by Order dated 22th October, 1937, defined the following employment as the employment which is to be treated as overtime employment:—

(a) All employment in excess of 5½ hours on Saturday or on such other day (not being Sunday) in every week as may be agreed between an employer and a worker, provided that in any case overtime rates shall be paid in respect of all hours worked after 1 p.m. on such day.

(b) All employment on Sundays, Easter Monday, Whit Monday, Christmas Day and 27th December, 1937.

(c) (i) All employment in excess of 41 hours (excluding all hours which are to be treated as hours of overtime employment) in the weeks in which Easter Monday and Whit Monday fall.

(ii) All employment in excess of 50 hours (excluding all hours which are to be treated as hours of overtime employment) in any other week in summer.

(d) (i) All employment in excess of 39½ hours (excluding all hours which are to be treated as hours of overtime employment) in the weeks in which Christmas Day and 27th December, 1937, fall.

(ii) All employment in excess of 48 hours (excluding all hours which are to be treated as hours of overtime employment) in any other week in winter.

9. For the purpose of the application of the above minimum rates of wages the Bedfordshire and Huntingdonshire Agricultural Wages Committee have by Order dated 6th January, 1925, defined the following as the benefits or advantages which may be reckoned as payment of wages in lieu of payment in cash and the values at which they are to be so reckoned and prohibited the reckoning of any other benefit or advantage as payment of wages in lieu of payment in cash:—

(i) *Benefits or Advantages.*

- (a) New milk.
 (b) Skimmed or separated milk.
 (c) In the case of male workers only:—

Board (including any meals but not including intoxicating drink) and lodging, except in any case in which the Wages Committee shall have determined that the lodging accommodation provided is so defective as to be injurious to health.

(d) Cottage, including any garden provided with the cottage, except where the cottage is one in regard to which the Medical Officer of Health has reported that it is in a state so dangerous or injurious to health as to be unfit for human habitation.

(ii) *Values*

- (a) New milk—4d. per quart.
 (b) Skimmed or separated milk—8d. per gallon.
 (c) Board and lodging:—

<i>Male Workers.</i>				<i>Per week of 7 days.</i>	
<i>Years of Age.</i>				<i>s.</i>	<i>d.</i>
18 and over	...	...	...	15	0
17 but under 18	...	...	...	14	0
16 " "	17	...	...	12	0
15 " "	16	...	...	10	0
14 " "	15	...	...	8	0

(d) Cottage—3s. per week less any rent or rates paid by the occupier. Provided as follows:—

(1) In the case of a cottage with regard to which the Committee, on an application by or on behalf of a worker, have certified that by reason of inadequate accommodation, want of repair or sanitation or lack of water supply the value of such cottage is less than 3s., the value shall be such sum less than 3s. as the Committee shall determine on a consideration of the defects.

(2) In the case of a cottage with regard to which the Committee, on an application by or on behalf of an employer have certified that by reason of the cottage having 3 or more bedrooms, combined with other satisfactory accommodation, the value of such cottage is higher than 3s., the value shall be such sum greater than 3s. as the Committee shall determine on a consideration of the accommodation.

By Order of the Agricultural Wages Board.

A. Hodgson,
Secretary.

Kings Buildings,
 Smith Square
 London, S.W.1.

25th October, 1937.

Notes. 1. Applications for Permits of Exemption (which may be obtained in cases where a worker is affected by physical injury or mental deficiency or any infirmity due to age or to any other cause) should be addressed to the Secretary, Bedfordshire and Huntingdonshire Agricultural Wages Committee, Broadway House, The Broadway, Bedford.

2. Complaints as to non-payment of the prescribed rates of wages should be addressed to the Secretary, Ministry of Agriculture and Fisheries, Kings Building, Smith Square, London, S. W.1.

Classification of Trade Boards, with Year of Establishment

CLOTHING	
Corset	1919
Dressmaking and Women's Light Clothing (England and Wales)	1920
Dressmaking and Women's Light Clothing (Scotland)	1920
Fur	1919
Hat, Cap and Millinery (England and Wales)	1920
Hat, Cap and Millinery (Scotland)	1920
Ostrich and Fancy Feather and Artificial Flower	1921
Ready-made and Wholesale Bespoke Tailoring ^a	1920
Retail Bespoke Tailoring (England and Wales) ^a	1925
Retail Bespoke Tailoring (Scotland) ^a	1925
Shirtmaking	1914
Wholesale Mantle and Costume	1919
TEXTILE	
Flax and Hemp	1920
Hair, Bass and Fibre	1920
Jute	1919
Lace Finishing	1910
Linen and Cotton Handkerchief and Household Goods and Linen Piece Goods	1920
Made-up Textiles	1920
Rope, Twine and Net	1919
Sack and Bag	1921
METAL	
Button Manufacturing	1920
Chain	1910
Coffin Furniture and Cerement Making	1919
Cutlery	1933
Hollow-ware	1914
Keg and Drum	1920
Pin, Hook and Eye, and Snap Fastener	1920
Stamped or Pressed Metal Wares	1920
Tin Box	1914
FOOD	
Aerated Waters (England and Wales)	1920
Aerated Waters (Scotland)	1920
Baking ^b	1938
Sugar Confectionery and Food Preserving	1914
Tobacco	1919
DISTRIBUTIVE AND SERVICE^c	
Laundry	1919
Milk Distributive (England and Wales)	1920
Milk Distributive (Scotland)	1920
MISCELLANEOUS	
Boot and Floor Polish	1921
Boot and Shoe Repairing	1919
Brush and Broom	1919
Cotton Waste Reclamation	1920
Drift Nets Mending	1925
Fustian Cutting	1933
General Waste Materials Reclamation	1920
Paper Bag	1919
Paper Box	1910
Perambulator and Invalid Carriage	1920
Rubber Manufacturing ^d	1938
Toy Manufacturing	1920

^a The Tailoring Trade Board, established in 1910, covered all branches of the trade. It was replaced by the Retail Bespoke Tailoring Board, set up in December 1919, and the Ready-made and Wholesale Bespoke Tailoring Board, set up in February 1920. Separate Boards for England and Wales and for Scotland were appointed in 1925 to take the place of the Retail Bespoke Tailoring Trade Board for Great Britain.

^b Two Boards, one for England and Wales and one for Scotland, are to be established in this trade.

^c Two Grocery and Provisions Trade Boards, one for England and Wales and one for Scotland, were established in 1920. These Boards were unable to fix any rates, and in 1926 they were dissolved, though the order bringing them under the Trade Boards Acts was never rescinded.

Regulations with Respect to the Constitution and Proceedings of the Hollow-ware Trade Board

Whereas the Minister of Labour (hereinafter referred to as "the Minister") has established a Trade Board in Great Britain for the branches of work in the trade set out in the Appendix to the Trade Boards (Hollow-ware Making) Order, 1928^a which are specified in the Schedule to these Regulations;

Now therefore the Minister by virtue of the powers conferred on him by Section 11 of the Trade Boards Act 1909, and of all other powers in that behalf, hereby makes the following Regulations with respect to the Constitution and Proceedings of the said Trade Board:—

1.—(a) These Regulations may be cited as the Trade Boards (Hollow-ware Trade, Great Britain) (Constitution and Proceedings) Regulations 1937, and shall come into force on the date hereof.

(b) The Interpretation Act, 1889,^b applies to the interpretation of these Regulations as it applies to the interpretation of an Act of Parliament.

(c) The Trade Boards (Hollow-ware Trade, Great Britain) (Constitution and Proceedings) Regulations 1928^c are hereby revoked, but such revocation shall not affect any right, privilege, obligation or liability acquired, accrued or incurred under those Regulations, nor anything done or to be done thereunder.

2. The Trade Board shall consist of not less than 23 and not more than 33 persons of whom three shall be appointed members of Trade Boards and the remainder members representing employers and members representing workers in equal numbers.

3. The Appointed Members shall be such of the Appointed Members of Trade Boards as may be directed by the Minister to act on the Trade Board, provided that at least one shall be a woman.

4. The members representing employers in the trade and the members representing workers in the trade shall be selected and appointed by the Minister after considering names supplied by such employers and workers respectively, due regard being paid to the representation of the various classes of employers and workers in the trade and of the various districts in which the trade is carried on.

5. The Chairman and Deputy Chairman shall be appointed by the Minister from among the members of the Trade Board, and each of them shall hold office during his term of office as a member of the Trade Board.

6. Any member representing employers who after appointment ceases to be an employer and becomes a worker at the trade shall vacate his seat. Any member representing workers who after appointment becomes an employer in the trade shall vacate his seat. Whether a member representing employers or workers has vacated his seat under the provisions of this regulation shall be determined by the Minister.

7.—(a) If a representative member after appointment ceases to be engaged in or connected with the trade, the Minister may determine his appointment. Whether a member has ceased to be engaged in or connected with the trade under the provisions of this regulation shall be determined by the Minister.

(b) If any member fails to attend one-half of the total meetings of the Trade Board in any period of twelve months or, should only one meeting be held in any period of twelve months, two consecutive meetings, the Minister may, after giving the member an opportunity to be heard, determine his appointment.

(c) If the Minister is of opinion that any member is incapable of acting as a member of the Trade Board, the Minister may determine his appointment.

(d) Every member of the Trade Board shall notify in writing to the Secretary of the Trade Board any change of his address. If the Secretary does not receive such notification from any member and is thereby unable to summon that member to attend meetings of the Trade

^a S.R. & O. 1928 (No. 842) p. 1258.

^b 52 & 53 Vict. c. 63.

^c S.R. & O. 1928 (No. 843) p. 1272

Board, the Secretary shall notify the Minister who may, after making such enquiries as seem to him to be necessary, determine the appointment of that member.

(e) Any member whose appointment has been determined by the Minister shall vacate his seat.

8. The term of office of a member of the Trade Board shall be for a period of not more than two years as may be determined by the Minister provided that:—

(a) the term of office of all members shall expire on the same date;

(b) a member appointed to fill a casual vacancy shall sit for the unexpired portion of the term of office of his predecessor and

(c) a seat rendered vacant by effluxion of time shall unless the Minister decides otherwise be temporarily occupied by the retiring member until a new appointment is made.

9. Any member vacating his seat on the Trade Board under any of the preceding regulations or for any other reason shall be eligible for re-appointment.

10.—(a) A vacancy among Appointed Members or representative members shall be filled in the manner prescribed in Regulation 3 or Regulation 4, as the case may be.

(b) A vacancy in the office of Chairman or Deputy Chairman shall be filled in the manner prescribed in Regulation 5.

11. Every member of the Trade Board shall have one vote. If at any meeting of the Board the numbers of members present representing employers and workers are unequal, it shall be open to the side which is in the majority to arrange that one or more of its members shall refrain from voting, so as to preserve equality. Failing such an arrangement the Chairman, or in his absence the Deputy Chairman, may, if he thinks it desirable, adjourn the voting on any question to another meeting of the Board.

12. The Trade Board shall continue in existence until dissolved by order of the Minister.

13. The Trade Board may be known under the short title of "The Hollow-ware Trade Board (Great Britain)."

Given under the Official Seal of the Minister of Labour this sixteenth day of April in the year one thousand nine hundred and thirty-seven.

(L.S.)

T. W. Phillips,
Secretary of the Ministry of Labour

**Trade Board General Minimum Time-Rates per Hour for the
Lowest Grades of Experienced Adult Male and Female
Workers, December 31, 1937^a**

Trade Board	Male Workers	Female Workers
Aerated Waters (England and Wales) ..	1s. 1d.	7d.
Aerated Waters (Scotland)		
Orkney and Shetland Islands	10½	5½
Rest of Scotland	11½	6½
Boot and Floor Polish	I 1½	7½ ^b
Boot and Shoe Repairing	I 2½	10½ ^b
Brush and Broom	11½	6½
Button Manufacturing	I 1½	6½
Chain ^c	I 2½	5½ ^f
Coffin Furniture and Cerement-Making		
Coffin Furniture Section	I 15 ^{od}	7½ ^b
Cerement-Making Section		7½ ^{o, f}
Corset	I 1½ ^e	7½
Cotton Waste Reclamation		
England and Wales	10½	6½
Scotland	10½	6
Cutlery	I 0	6½ ^b
Dressmaking and Women's Light Cloth- ing (England and Wales)		
Retail Bespoke Dressmaking		
Branch	I 1 ^e	7, 7½, 8½ ^h
Other Branches	I 1 ^e	7½
Dressmaking and Women's Light Cloth- ing (Scotland)		
Retail Branch	I 0 ^e	7, 7½ ^{f, h}
Other Branches	I 0 ^e	6½
Drift Nets Mending		6½
Flax and Hemp	10½½	6½ ^x
Fur	I 1	7½ ^j
Fustian Cutting	10 ^e	5½
General Waste Materials Reclamation ..	11½	6½
Hair, Bass and Fibre	11½	6½
Hat, Cap and Millinery (England and Wales)	I 1 ^e	7½ ^f
Hat, Cap and Millinery (Scotland)		
Wholesale Cloth Hat and Cap Mak- ing Branch	I 2 ^e	7½
Other Branches	I 2 ^e	7, 7½ ^{f, h}
Hollow-ware	I 0½	7½
Jute	9½ ^f	6½
Keg and Drum	I 0½	7½
Lace Finishing ^g		6½
Laundry		
Cornwall and North of Scotland ..	I 2½	7½ ^l
Rest of Great Britain	I 2½	8½
Linen and Cotton Handkerchief and Household Goods and Linen Piece Goods	I 0	6½
Made-up Textiles	10½	6½
Milk Distributive (England and Wales) ^h	10½	6½, 7½, 8½ ^b
I 1½ ^h		
I 2½ ^h		
Milk Distributive (Scotland)	I 0½	6½ ^b
Ostrich and Fancy Feather and Artificial Flower	I 0 ^e	7
Paper Bag	I 1½	7½
Paper Box	I 0½ ^e	7½
Perambulator and Invalid Carriage ..	11½	6½ ^b
Pin, Hook and Eye and Snap Fastener ..	I 0	5½ ^b
Ready-made and Wholesale Bespoke Tailoring	I 0 ^e	7½ ^f

Trade Board	Male Workers	Female Workers
Retail Bespoke Tailoring (England and Wales) ^a		
Northern District.....	os. xi ^d . to rs. 2 ^d . ^m	8 ^d . to 9 ^d . ⁿ
Yorkshire District.....	I 0 " I 4. m	8 " 9 ^d . n
East Lancashire District.....	I 2 ^½ " I 4 ^½ . m	9 ^½ " 9 ^½ . n
West Lancashire District.....	I I " I 3. m	8 ^½ " 9 ^½ . n
North Midland District.....	I I " I 4. m	8 ^½ " 9 ^½ . n
Central Midland District.....	I 0 " I 4. m	7 ^½ " 10. n
South Midland District.....	I I " I 3 ^½ . m	8 " 9 ^½ . n
Eastern District.....	I I " I 3. m	8 " 9 ^½ . n
South Eastern District.....	I 0 " I 3. m	8 " 9 ^½ . n
London District.....	I I " I 4. m	8 " 10. n
South Western District.....	I 0 " I 3. m	8 " 9 ^½ . n
Central Southern District.....	I I " I 4. m	8 " 9. n
North Wales District.....	I I " I 3. m	9 " 9 ^½ . n
South Wales District.....	ix ^½ " I 2 ^½ . m	8 ^½ " 9 ^½ . n
Retail Bespoke Tailoring (Scotland) ^b	ix " I I. d	7 " 7 ^½ . f
Rope, Twine and Net		
Net Section.....	10	6 ^½
Other Sections.....	10 ^½	6 ^½
Sack and Bag.....	10 ^½	6 ^½
Shirtmaking.....	I 2. g	7 ^½
Stamped or Pressed Metal Wares.....	I 0	7
Sugar Confectionery and Food Preserving.....	I I. e	7 ^½ . b
Tin Box.....	I I	7 ^½ . b
Tobacco.....	I 3 ^½	9 ^½ . b
Toy Manufacturing.....	I I	7 ^½ . b
Wholesale Mantle and Costume.....	I 0. g	7 ^½

^a Ministry of Labour Report, 1937, pp. 117-20. Except as otherwise noted, the rates apply to the whole of Great Britain and are operative at the age of 21 for males and 18 for females.

^b At 21 years of age.

^c The minimum rates in the chain trade and lace finishing trade are not fixed by reference to sex. The rates shown under the column "Female Workers" are those applicable to work usually performed by women, and the rates shown under the column "Male Workers" are those applicable to work usually performed by men.

^d On completion of 5 years' employment in the trade.

^e At 24 years of age.

^f On completion of 4 years' employment in the trade.

^g At 22 years of age.

^h Dependent on area as graded by the Trade Board.

ⁱ On completion of 2 years' employment in the trade.

^j At 19 years of age.

^k At 18 years of age.

^l At 20 years of age.

^m On completion of 8 years' employment in the trade.

ⁿ On completion of 7 years' employment in the trade.

Definition of Stamped or Pressed Metal Wares Trade

The minimum rates of wages apply, subject to the provisions of the Trade Boards Acts, to all workers in respect of all time during which they are employed in the stamped or pressed metal wares trade as specified in the Schedule to the Trade Boards (Stamped or Pressed Metal Wares Trade, Great Britain) (Constitution and Proceedings) Regulations, 1924, viz.:

- (1) the manufacture from metal in sheet or strip form by cold stamping or cold pressing of articles known in the trade as metal small wares;
- (2) the cutting, shearing, annealing and hardening of metal in an establishment in which the metal is used for such manufacture;
- (3) the covering of corset steels prior to capping or tipping in an establishment in which the steels are capped or tipped;
- (4) finishing (including dipping, nickelling, plating, tinning, japanning, stove-enamelling, lacquering, bronzing, colouring, painting, varnishing, barrelling, burnishing, grinding, planishing, polishing, and the capping, counting, lopping, studding, or tipping of corset busks or steels) and similar operations when done in conjunction with such manufacture;
- (5) viewing, inspecting, testing, sorting, boxing, carding, carrying, delivering, despatching, labelling, packeting, packing, portering, warehousing, weighing and similar processes or operations when done in conjunction with such manufacture;
- (6) the assembling of the above-mentioned wares or parts thereof, whether the things assembled are made inside or outside Great Britain; and
- (7) any process or operation which is included in the button-making trade, as defined for the purposes of the Trade Boards Acts, when carried on in an establishment mainly engaged in any of the processes or operations defined in the preceding paragraphs hereof;

excluding:

- (i) the production by the processes and operations defined in paragraphs (1) to (6) above of any article or part of any article in an establishment in which such article or part is incorporated with or fitted to any other article made in that establishment or part of any other article made in that establishment, unless
 - (a) such other article or part is wholly or mainly made by the processes or operations specified in paragraphs (1) to (4) and (6) above, or,
 - (b) the establishment is mainly engaged in the processes or operations specified in paragraphs (1) to (7) above.
- (ii) any processes or operations included in the following Orders or any amendments or variations thereof:
 - the Trade Boards (Coffin Furniture and Cerement-making) Order, 1919;
 - the Trade Boards (Hollow-ware) Order, 1913;
 - the Trade Boards (Perambulator and Invalid Carriage) Order, 1919;
 - the Trade Boards (Pin, Hook and Eye and Snap Fastener) Order, 1919;
 - the Trade Boards (Toy) Order, 1920;
- (iii) (a) the manufacture of articles known in the trade as real or imitation jewellery, and (b) the manufacture of any article or part of any article in an establishment mainly engaged in the manufacture of such jewellery;
- (iv) (a) the manufacture of steel and base metal pens and loose leaf metals, and (b) the manufacture of any article or part of any article in an establishment mainly engaged in the manufacture of such pens or metals;
- (v) (a) the manufacture of locks and latches (other than locks which are parts of fittings of bags or cases), and (b) the manufacture of any article or part of any article in an establishment mainly engaged in the manufacture of such locks or latches;
- (vi) the manufacture of any article or part of any article in an establishment mainly

engaged in the manufacture of any electrical machinery appliances, apparatus or accessories other than small electric light fittings;

(vii) the manufacture of any article or part of any article in an establishment mainly engaged in the manufacture of cast iron hollow-ware;

(viii) any operation done in an establishment mainly engaged in work known in the trade as the work of an establishment of an outplater to the trade;

(ix) (a) the manufacture of the component parts of cycles, motor cars or motor cycles, and (b) the manufacture of any article or part of any article when made in an establishment mainly engaged in the manufacture of cycles, motor cars or motor cycles, or of component parts of cycles, motor cars of motor cycles;

(x) the manufacture of accessories or parts thereof primarily intended for use on motor cars;

(xi) the manufacture of any article or part of any article known in the trade as electro-plate and articles of similar character if manufactured of Britannia metal or nickel or similar white alloys;

(xii) the manufacture of any article or part of any article from precious metals, or base metals covered when in sheet or strip form wholly or partially by any process or operation with precious metals;

(xiii) the manufacture of any article or part of any article from wire, either round, flat or shaped;

(xiv) the manufacture of lamps, medals, iron and steel hinges, harness furniture, driving chains, ammunition, domestic kitchen utensils or parts of such articles;

(xv) processes or operations specified in paragraphs (x) to (6) above, when performed in an establishment mainly engaged in any process or operation which is included in the Button-making Trade as defined for the purposes of the Trade Boards Acts.

List of Trade Unions Affiliated with the Trades Union Congress, with Number of Members on Trade Boards^a

Union	Total Membership
Transport and General Workers' Union	388,932
National Union of General and Municipal Workers	261,023
Tailors' and Garment Workers' Union	46,186
National Union of Distributive and Allied Workers	114,793
National Union of Printing, Bookbinding and Paper Workers	43,000
Amalgamated Society of Tailors and Tailoresses	11,936
National Amalgamated Union of Shop Assistants, Warehousemen and Clerks	38,597
National Society of Brushmakers	3,000
Amalgamated Society of Boot and Shoe Makers and Repairers	1,000
Dundee and District Jute and Flax Workers	13,634
National Union of Textile Workers	58,000
National Union of Boot and Shoe Operatives	79,270
National Union of Sheet Metal Workers and Braziers	14,000
National Cigar and Tobacco Workers' Union	2,500
Chainmakers' and Strikers' Association	1,500
National Society of Brass and Metal Mechanics	17,000
Operative Bleachers, Dyers' and Finishers' Association (Bolton)	21,766
Amalgamated Society of Dyers, Bleachers, Finishers and Kindred Trades (Bradford)	29,693
Amalgamated Society of Journeymen Felt Hatters	3,735
Amalgamated Society of Woodcutting Machinists	17,000
Harness and Saddlery Furniture Trades Association	200
National Society of Operative Printers and Assistants	20,636
Amalgamated Felt Hat Trimmers and Wool Formers' Association	3,583
Cigarette Machine Operators' Society	436
National Laundry Workers' Union	200
National Union of Clerks and Administrative Workers	6,424
National Union of Gold, Silver and Allied Trades	4,197

^a Report of the Proceedings of the 62nd Annual Trades Union Congress, 1930, pp. 10-16.

Constitution of the Trade Boards Advisory Council

OBJECTS.

The Trade Boards Advisory Council shall act as the representative and co-ordinating body for the Unions affiliated to the Trades Union Congress and represented on Trade Boards, in the following directions:—

- (a) To secure a common Trade Union Policy regarding the methods adopted by the Government in establishing Trade Boards.
- (b) To act in consultation with the General Council of the Trades Union Congress on all questions relating to Trade Boards which are of general interest to the Unions affiliated to Congress; and,
- (c) To make when necessary joint representations to the Government on behalf of the Trade Unions represented on Trade Boards; to secure joint consultation between the Unions represented on Trade Boards on all questions relating to Trade Boards regulations dealing with wages, hours, conditions of employment, or other occupational interests of the members of affiliated societies, and to make joint recommendations on these questions as and when necessary.

COMPOSITION OF TRADE BOARDS ADVISORY COUNCIL.

1. The Trade Boards Advisory Council shall consist of members appointed by the Executives of the Unions affiliated to the Trades Union Congress, and represented on Trade Boards.

2. Each Union, as qualified above, shall be entitled to appoint one of its members to the Advisory Council.

Where the Union is represented on three or more Trade Boards, it shall have the right to appoint two members.

3. The Annual meeting of the Advisory Council shall be called during July each year.

Included in the business of this meeting shall be the consideration and adoption of the Annual Report and the appointment and election of the Executive Committee in accordance with the following plan:—

ELECTION OF EXECUTIVE COMMITTEE.

1. Three members of the Executive Committee, one of whom shall be chairman, shall be appointed by the General Council of the Trades Union Congress.

2. Members of the Executive Committee representing the Advisory Council shall be appointed or elected, as the case may be, as follows:—

- (a) The Executives of those ten Unions concerned having the greatest number of seats on Trade Boards allocated to their members at the time of the appointment shall each appoint one member of the Executive Committee.

Provided that the Executives of those Unions amongst the first ten having more than fifty seats on Trade Boards allocated to them shall each appoint one additional member of the Executive Committee.

The Appointments shall be annual, and the retiring members shall be eligible for re-appointment provided that their Unions retain their position amongst the first ten.

- (b) Those members of the Advisory Council representing the remaining Unions concerned shall elect five members of the Executive Committee annually from persons nominated by the Executives of the Unions. No Executive shall be entitled to make more than one nomination.

DUTIES OF EXECUTIVE COMMITTEE.

1. The Executive Committee shall be responsible for giving effect to the decisions of the Advisory Council and shall consult with the Trades Union Congress General Council respecting any Trade Boards' question affecting Trade Union policy.

2. The Executive shall issue, as may be considered necessary, special reports to the Unions represented by the Advisory Council dealing with special phases of Trade Board activity.

It shall supply the Unions with information regarding Trade Boards' awards, and keep the Unions informed of the attitude of the Employers and the Government regarding Trades Boards' policy or regulations, and it shall from time to time submit reports to the General Council of the Trades Union Congress.

3. The Executive shall be the convening body for Advisory Council meetings and shall convene such meetings additional to the Annual Meeting, as and when these may be necessary.

On the request of five Unions for a meeting of the full Council, the same shall be called.

ADMINISTRATIVE DEPARTMENT AND FINANCE.

1. The administrative department necessary to give effect to the decisions of the Trade Boards' Advisory Council and Executive Committee shall be supplied by the Trades Union Congress General Council, which shall also appoint the necessary Secretarial Assistants to act for and with the Advisory Council.

2. The Trades Union Congress General Council shall be responsible for the administrative, Official and Office expenses in connection with the work of the Trade Boards Advisory Council, including the expenditure in connection with Advisory Council or Executive Committee meetings. This shall not include travelling or other personal expenses of delegates to Advisory Council or Executive Committee meetings.

3. The administrative department shall be responsible for collecting and filing of Trade Boards' awards, special reports dealing with Trade Board policy or activity, and shall supply, as requested, special reports or information to the Unions represented by the Trade Boards Advisory Council.

4. The officials of the Trade Boards' department of the General Council, Trades Union Congress, shall act with and on the instruction of the Trade Boards Advisory Council and Executive Committee, subject to a general supervisory control by the Trades Union Congress General Council.

*Extent of Representation on Trade Boards by Nominees of
Employers' and Workers' Organizations*

Trade Board	Total number of Employers' and Workers' seats on each side	Number of nominating bodies on each side with number of seats			
		EMPLOYERS		WORKERS	
		No. of nominating bodies	No. of seats held by nominees	No. of nominating bodies	No. of seats held by nominees
Aerated Waters (E. & W.)	16	2	16	3	6
Aerated Waters (Scot.)	10	1	10	2	5
Boot & Floor Polish	9	1	7	2	4
Boot & Shoe Repairing	22	4	21	4	21
Brush & Broom	16	1	16	4	15
Button Manufacturing	15	1	9	3	6
Chain	7	1	6	2	6
Coffin Furniture and Cerement Making	7	1	7	3	5
Corset	12	1	11	2	6
Cotton Waste Reclamation	10	1	10	3	5
Cutlery	14	2	11	1	14
Dressmaking and Women's Light Clothing (E. & W.)	20	5	16	5	15
Dressmaking and Women's Light Clothing (Scot.)	14	3	14	3	10
Drift Nets Mending	5	1	5	1	1
Fur	17	3	17	1	11
Flax & Hemp	20	3	19	2	19
Fustian Cutting	6	—	—	5	6
General Waste Reclamation	18	9	18	5	14
Hair Bais & Fibre	8	1	8	2	6
Hat, Cap & Millinery (E. & W.)	21	10	21	7	16
Hat, Cap & Millinery (Scot.)	9	2	6	3	4
Hollow-ware	12	1	12	3	12
Jute	15	2	14	9	15
Keg & Drum	7	4	7	2	5
Lace Finishing	8	1	6	1	2
Laundry	23	2	21	2	19
Linen and Cotton Handkerchief	10	—	—	6	7
Made-up Textiles	12	2	8	2	6
Milk Distributive (E. & W.)	25	5	23	4	18
Milk Distributive (Scot.)	11	6	9	4	10
Ostrich and Fancy Feather and Artificial Flower	11	4	9	1	1
Paper Bag	16	2	16	3	12
Paper Box	20	3	20	2	16
Perambulator & Invalid Carriage	12	—	—	5	8
Pin, Hook and Eye and Snap Fastener	6	1	6	1	2
Ready-Made and Wholesale Bespoke Tailoring	21	2	16	1	21
Retail Bespoke Tailoring (E. & W.)	22	4	21	3	21
Retail Bespoke Tailoring (Scot.)	12	2	11	1	12
Rope, Twine & Net	17	2	17	5	11
Sack & Bag	10	2	8	4	5
Shirtmaking	20	1	15	4	18
Stamped or Pressed Metal Wares	12	4	8	3	4
Sugar Confectionery and Food Preserving	22	1	22	4	18
Tin Box	16	1	16	3	10
Tobacco	18	5	18	6	18
Toy Manufacturing	16	2	15	4	9
Wholesale Mantle & Costume	22	4	10	3	21

ILLUSTRATIVE MATERIAL

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Areas Covered by Divisional Inspection Officers

SOUTH EASTERN DIVISION I, London E.C.2

London	Essex
East	Huntingdonshire
East Central	Norfolk
Cambridgeshire	Suffolk

SOUTH EASTERN DIVISION II, London S.W.1

London	Surrey
South West	Sussex
West	

SOUTH EASTERN DIVISION III, London E.C.2

London	Bedfordshire
North	Buckinghamshire
North West	Hertfordshire
South East	Kent
West Central	Middlesex

SOUTH WESTERN DIVISION, Bristol

Oxfordshire	Wiltshire
Berkshire	Dorsetshire
Hampshire	Somersetshire
Isle of Wight	Devonshire
Gloucestershire	Cornwall

MIDLAND DIVISION, Birmingham

Warwickshire	Worcestershire
Northamptonshire	Herefordshire
Rutlandshire	Shropshire
Leicestershire	Derbyshire (except the Glossop New Mills and Buxton districts)
Nottinghamshire	
Staffordshire	

NORTH WESTERN DIVISION, Manchester

Lancashire	Cumberland
Cheshire	Derbyshire (the Glossop New Mills and Buxton districts only)
Westmorland	

NORTH EASTERN DIVISION, Leeds

Yorkshire	Northumberland
Lincolnshire	Durham

SCOTTISH DIVISION, Edinburgh

Scotland

WELSH DIVISION, Cardiff

Wales	Monmouthshire
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Envelope Form Used for Information Collected by Trade Board Inspectors

Front

T.B.I. (a) TRADE.....				VICINITY.....					
also.....				T.B.I.A.....					
FIRST LIST ACTION				SUBSEQUENT LIST ACTION					
ADD TO LIST				ADD TO LIST					
DELETE FROM LIST				DELETE FROM LIST					
ALTER (NAME ADDRESS)				ALTER (NAME ADDRESS)					
R C	DATE OF INSPECTION	TIME TAKEN DAYS	PERSONS SEEN AND STATUS		NOTICES } NOT POSTED } INADEQUATE	WAGES } NOT KEPT RECORDS } INADEQUATE	TIME } NOT KEPT RECORDS } INADEQUATE		
	No OF WORKERS	TIME WORKERS		PIECE WORKERS		HOME WORKERS		TOTAL	O.T.B. to despatch - CURRENT NOTICES (.....SETS) IN.....TRADES .....SETS IN.....TRADES IN FUTURE LEARNERS' CERT. APPLN. FORMS M.....F..... , DO , FOR FUTURE USE M.....F..... APPTCE. REGN. APPLN. FORMS M.....F..... PERMIT APPLN. FORMS.....
	adult rate due		low than adult rate due						
	M	F	M	F	M	F	M	F	
EMPLOYED									
UNDERPAID									
FORMS INSERTED -		T.B.I. (b) DESPATCHED		T.B.I. (c) DESPATCHED		T.B.I. (m) DESPATCHED		T.B.I. (u) ENTERED	
T.B.I. (a) (b) (c) (d)		Init..... Date.....		Init..... Date.....		Init..... Date.....		Init..... Date.....	
<u>REMARKS</u>									

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MARKINGS	SIGNATURE of I.O.	COUNTERSIGNATURE of S.O.	CHECKED with T.B.I. (a)	RECORDS EXTRACTED
1.....			for.....	Init..... Date.....
2.....				CHECKED
3.....	Date.....	Date.....	Init.....	Init..... Date.....

Envelope Form Used for Information Collected by Trade Board Inspectors—Continued

Back

R C	DATE OF RE-INSPECTION	TIME TAKEN DAYS	PERSONS SEEN AND STATUS				NOTICES	NOT POSTED INADEQUATE	WAGES NOT KEPT RECORDS INADEQUATE	TIME NOT KEPT RECORDS INADEQUATE			
	No. OF WORKERS	TIME WORKERS				PIECE WORKERS		HOME WORKERS		TOTAL	O.T.B. to despatch :- CURRENT NOTICES (____SETS) IN _____ TRADES _____ SETS IN _____ TRADES IN FUTURE LEARNERS' CERT. APPLN. FORMS M _____ F _____ , DO , FOR FUTURE USE M _____ F _____ APPTCE. REGN. APPLN. FORMS M _____ F _____ PERMIT APPLN. FORMS _____		
	adult rate due		less than adult rate due										
	M	F	M	F	M	F	M	F					
EMPLOYED													
UNDERPAID													
FORMS INSERTED :-		T.B.I. (b) DESPATCHED				T.B.I. (c) DESPATCHED				T.B.I. (m) DESPATCHED		T.B.I. (n) ENTERED	
T.B.I. (a) (i) (j) (k)		Init. _____ Date _____				Init. _____ Date _____				Init. _____ Date _____		Init. _____ Date _____	

REMARKS

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MARKINGS	SIGNATURE of I.O.	COUNTERSIGNATURE of S.O.	CHECKED with T.B.I. (a)	RECORDS EXTRACTED
1 _____			for _____	Init. _____ Date _____
2 _____				CHECKED
3 _____				Init. _____ Date _____
	Date _____	Date _____	Init. _____	Date _____

Number of Establishments and Estimated Number of Persons within the Scope of Trade Boards

Trade	Number of Establishments on Trade Board Lists, Dec. 31, 1937 ^a	Estimated Number of Persons within the Scope of Trade Boards ^b	Approximate Percentage of Females in the Trade ^b
Aerated waters (E. & W.)	1,418	10,530	50
Aerated waters (Scot.)	184		
Boot and floor polish	140	1,700	60
Boot and shoe repairing	12,166	27,390	2
Brush and broom	532	9,400	55
Button manufacturing	157	4,990	77
Chain	137	1,280	31
Coffin furniture and cerement making	50	1,240	07
Corset	250	8,780	93
Cotton waste reclamation	171	2,980	60
Cutlery	860	13,630	45
Dressmaking and women's light clothing (E. & W.)	10,877	120,320 ^c	98 ^a
Dressmaking and women's light clothing (Scot.)	934		
Drift nets mending	150	1,600	100
Flax and hemp	93	14,160	70
Fur	1,582	12,280	54
Fustian cutting	28	1,350	85
General waste materials reclamation	1,998	16,590	49
Hair, bass and fibre	61	1,530	54
Hat, cap and millinery (E. & W.)	3,654	57,940 ^c	82 ^a
Hat, cap and millinery (Scot.)	269		
Hollow-ware	101	7,580	49
Jute	93	26,780	74
Keg and drum	112	2,690	20
Lace finishing	230	1,040	90
Laundry	6,453	110,560	93
Linen and cotton handkerchief, etc.	375	8,700	97
Made-up textiles	414	3,840	63
Milk distributive (E. & W.)	12,962	88,030	11
Milk distributive (Scot.)	2,605		30
Ostrich and fancy feather, etc.	142	2,740	94
Paper bag	402	8,590	85
Paper box	1,216	40,370	86
Pereambulator and invalid carriage	87	4,500	20
Pin, hook and eye	35	2,050	82
Readymade and wholesale bespoke tailoring	5,901	174,700	76
Retail bespoke tailoring (E. & W.)	8,558	28,230 ^c	56 ^a
Retail bespoke tailoring (Scot.)	1,194		
Rope, twine and net	405	17,980	73
Sack and bag	307	4,830	80
Shirtmaking	1,019	42,390	93
Stamped or pressed metal wares	355	9,030	78
Sugar confectionery and food preserving	1,019	85,560	81
Tin box	203	13,680	86
Tobacco	204	20,380	74
Toy manufacturing	410	15,380	68
Wholesale mantle and costume	4,138	64,470	73
All trades	85,272	1,135,870	73

^a Ministry of Labour Report, 1937, p. 121.

^b The same, 1935, pp. 126-27. Estimates based on 1935 inspections of persons normally seeking employment in occupations within the scope of the Boards. These estimates are the latest available figures and are currently used for inspection purposes.

^c Includes Scotland.

**Number of Establishments for Which Offenses against
Trade Boards Acts Were Reported, 1937^a**

Trade	Underpayments		Failure to Post Notices	Failure to Keep Adequate Records	
	Number of Establishments Paying Arrears	Number of Work-ers to Whom Arrears were Paid		Of Wages Paid	Of Time Worked
Aerated waters (E. & W.)	30	50	26	14	95
Aerated waters (Scot.)	3	3	7	1	4
Boot and floor polish	3	5	2	1	9
Boot and shoe repairing	186	235	350	306	835
Brush and broom	24	55	8	6	27
Button manufacturing	7	10	8	2	6
Chain	2	2	3	2	4
Coffin furniture and casket making	3	4	0	0	0
Corset	6	201	8	6	15
Cotton waste reclamation	3	11	4	1	6
Cutlery	33	129	7	18	26
Dressmaking and women's light clothing (E. & W.)	273	640	368	272	1,014
Dressmaking and women's light clothing (Scot.)	11	15	18	10	36
Drift nets mending	0	0	2	0	1
Flax and hemp	13	203	1	0	2
Fur	51	135	26	16	133
Fustian cutting	0	0	0	0	2
General waste materials reclamation	71	160	85	34	182
Hair, balm and fibre	4	21	1	1	6
Hat, cap and millinery (E. & W.)	65	88	77	46	277
Hat, cap and millinery (Scot.)	4	7	2	2	8
Hollow-ware	11	43	9	2	8
Jute	9	74	0	0	1
Keg and drum	3	6	3	0	0
Lace finishing	1	1	6	5	6
Laundry	146	533	186	73	319
Lines and cotton handkerchief, etc.	6	11	4	2	15
Made-up textiles	12	60	5	3	10
Milk distributive (E. & W.)	460	1,032	695	741	1,710
Milk distributive (Scot.)	67	155	136	129	294
Ostrich and fancy feather, etc.	5	9	1	2	5
Paper bag	14	66	7	1	12
Paper box	56	319	30	6	41
Perambulator and invalid carriage	2	5	3	1	2
Pin, hook and eye, etc.	4	6	0	0	0
Ready-made and wholesale bespoke tailoring	156	625	222	166	516
Retail bespoke tailoring (E. & W.)	192	362	200	278	652
Retail bespoke tailoring (Scot.)	16	28	16	21	39
Rope, twine and net	14	29	6	3	11
Sack and bag	7	11	4	1	9
Shirtmaking	37	284	21	8	50
Stamped or pressed metal wares	12	33	8	0	11
Sugar confectionery and food preserving	53	274	28	13	89
Tin box	6	136	1	0	3
Tobacco	4	34	0	1	4
Toy manufacturing	20	205	16	4	17
Wholesale mantle and costume	124	456	163	88	423
Total	2,229	6,771	2,773	2,286	6,935

^a Ministry of Labour Report, 1937, pp. 124-25.

***Application to the Retail Bespoke Tailoring Trade Board
(England and Wales) for the Issue of a Certificate
to an Apprentice***

1. Full name of apprentice.							
2. Full address of apprentice.							
3. Date of birth of apprentice (Give day, month and year).							
4. Full name of parent or guardian.							
5. Full address of parent or guardian.							
6. Full name of employer.							
7. Full address of employer.							
8. Garment or garments which the apprentice is to be taught to make throughout.							
9. Date from which the worker commenced to receive instruction as an apprentice in his/her present employment in making the garment or garments which he/she is to be taught to make. (See (8) above.) If this date is more than 3 months ago give particulars of the instruction already given to the worker.							
10. (a) Has the apprentice previously been employed in the Retail Bespoke Tailoring Trade on work coming within the scope of the Trade Board as defined in the Trade Board's Notice? (b) If so, give particulars of the previous employers and of the period served with each such employer.	(a)						
	(b)						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Previous Employers</th> <th style="width: 20%;">From</th> <th style="width: 20%;">To</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"></td> <td></td> <td></td> </tr> </tbody> </table>	Previous Employers	From	To			
Previous Employers	From	To					
11. Has the apprentice received continuous instruction after the age of 14 years in Tailoring in a Technical Class at any Institution or School? (If no such instruction state "None.") If so, state:— (a) Name and address of Institution or school. (b) Dates of commencement and termination of any such continuous instruction in the Technical Class in Tailoring. (c) Average number of hours per week during which the instruction was received. (d) Nature of instruction received.	(a)						
	(b)						
	(c)						
	(d)						
12. Is the apprentice to be supplied by the employer with dinner and tea?							
13. Is the apprentice to be supplied by the employer with full board and lodging?							
14. Is a premium to be paid? If so, state the amount.							
15. (a) How many apprentices (excluding the applicant) and learners are at present in the service of the Employer?	(a)						
(b) How many journey workers are at present in the service of the Employer?	(b)						

ILLUSTRATIVE MATERIAL

(A) Declaration by Employer.

I, the undersigned employer, hereby make application to the Retail Bespoke Tailoring Trade Board (England and Wales) for the issue of a certificate as an apprentice to the undersigned worker. I hereby declare that the apprentice is to be employed in the Retail Bespoke Tailoring Trade in England and Wales in accordance with the terms of an indenture of Apprenticeship, and in accordance with the provisions of the Trade Board's Notice for the time being in force setting out the Minimum Rates of Wages effective for indentured Apprentices.

(Signature of Employer).....

(Date).....

(B) Declaration by Apprentice.

I, the undersigned apprentice, hereby make application to the Retail Bespoke Tailoring Trade Board (England and Wales) for a certificate as an apprentice. I hereby declare that the above-mentioned particulars as to the date of my birth and previous instruction are to the best of my knowledge true and complete.

(Signature of Apprentice).....

(Date).....

(C) Application by Parent or Guardian.

I, the undersigned, the parent or guardian of the above apprentice hereby make application to the Retail Bespoke Tailoring Trade Board (England and Wales) for the issue of a certificate to the apprentice.

(Signature of Parent or Guardian).....

(Date).....

*Form of Apprenticeship Indenture Used by the
Fur Trade Board*

THIS INDENTURE made the* of day
of One Thousand Nine Hundred and ,
between ,
of ,
a minor of the age of years (hereinafter called
the "Apprentice") of the first part, of
Apprentice (hereinafter called the "Guardian") of the second part,
and
of (hereinafter
called the "Employer") of the third part;

WITNESSETH as follows, that is to say:—

1. The Apprentice of his or her own free will and with the consent of the Guardian hereby binds himself/herself to serve the Employer as his Apprentice in his trade of Furrier for a term of five years from the

†

2. In consideration of the covenants and agreements entered into by the Guardian and the Apprentice, the Employer hereby covenants with the Guardian and the Apprentice and with each of them severally as follows:—

(a) That he will keep the Apprentice as his Apprentice during the said term and to the best of his power, skill and knowledge instruct the Apprentice or cause him/her to be instructed in cutting and nailing in the Furrier's section of the Fur Trade.

(b) That he will keep the Apprentice under his own supervision or place him/her under a fully qualified Journeyman (or Journeymen).

(c) That he will pay to the Apprentice every week during the said term wages in accordance with the appropriate scale of wages as fixed, or as varied from time to time by the Fur Trade Board (Great Britain) for Apprentices and made effective.

(d) That during the first three years of apprenticeship he will not require the Apprentice to work in excess of the number of hours declared by the Fur Trade Board (Great Britain) to be the normal number of hours of work in the trade.

(e) That during the first two years of the said term of apprenticeship he will not put the Apprentice on piece-work.

(f) That if the employer shall die or become permanently incapacitated through illness or injury (to be certified by a duly qualified Medical Practitioner) or cease to carry on the said trade of Furrier before the expiration of the said term of apprenticeship, then and in any such case, the Employer or his Executors or his Administrators, as the case may be, shall, subject to the consent and approval of the Guardian and of the said Apprentice being first obtained, find another suitable Employer for the Apprentice to take over this Indenture.

(g) That he will not hold the Apprentice liable to make good the value of any work which the Apprentice may spoil while learning his/her trade, except in the case of wilful or malicious damage.

(h) That he will cause the Apprentice to attend during the term of this Indenture such approved technical classes as may be agreed by the parties concerned in the Indenture, the Apprentice to suffer no loss of wages by reason of such attendance or by reason of his/her attendance at school in accordance with the Education Acts, and the time so spent to be reckoned as an equivalent part of the usual working hours and not extra thereto.

* Insert date on which the Indenture is signed.

† Insert date from which the apprenticeship is to begin.

3. In consideration of the premises, the Guardian and the Apprentice respectively severally covenant with the Employer as follows:—

(a) That the Apprentice shall truly and faithfully during the said term serve the Employer as his Apprentice and his secrets keep and shall diligently attend to the said trade and at all times willingly obey the lawful and reasonable commands of the Employer, and shall not absent himself/herself from the Employer's service without leave.

(b) That the Apprentice shall not do any damage or knowingly suffer any damage to be done to the goods, moneys or other property of the Employer.

(c) That the Apprentice shall willingly perform all such shop duties as are usually done by Apprentices.

(d) That the Apprentice shall attend such continuation classes between the hours of 9 a.m. and 7 p.m. as the Employer desires provided that the Apprentice suffer no loss of wages by reason of such attendance.

(e) That in case the Apprentice shall at any time during the said term be wilfully disobedient to lawful orders or commands of the said Employer, or be slothful or negligent or shall otherwise grossly misbehave himself/herself towards the Employer, then it shall be lawful to discharge the said Apprentice.

IN WITNESS whereof the said parties to these presents have hereunto set their hands and seals the day and year first above written.

Employer.....[SEAL]

Guardian.....[SEAL]

Apprentice.....[SEAL]

Signed, Sealed* and Delivered
by all the above-named parties
in the presence of

Witness*..... Witness*.....

of..... of.....

.....

Occupation..... Occupation.....

* NOTE.—(a) *In England and Wales* the indenture must be signed, sealed and delivered by each party in the presence of a witness who should add his name, address and occupation.

(b) *In Scotland* the indenture must be signed by each party in the presence of two witnesses, and the witnesses must add their names, addresses and occupations in their own handwriting. No seal is required.

**Application for Certificate as a Learner Used by the
Lace Finishing Trade Board**

STATEMENT OF PARTICULARS IN CONNECTION WITH APPLICATION
FOR CERTIFICATE BY UNDER-MENTIONED WORKER.

(Learner's name in full..... Learner's private address.....)

Date of birth.....

(Verified by employer by reference to birth certificate.)

Name and address of present employer(s).....

Branch of trade in which learner is, or is to be, employed.

Whether:—

(a) in a warehouse and regularly engaged upon work other than clipping, scolloping,
drawing or roving, namely:—

.....*

or

(b) in a warehouse or workshop and engaged in frame clipping.
(Strike out (a) or (b)).

Date of commencement of present employment.....

†Previous employment in the trade:—

Period of employment.		NAME AND ADDRESS OF FIRM	KIND OF WORK DONE (State whether Hair Nets, Warp, etc.)
From	To		

I hereby declare that I am being (am about to be) effectively employed in the practical learning of the above-mentioned branch of the trade and that the particulars set out above are true to the best of my knowledge and belief.

Signature of learner.....

Date.....

* State here on what work and in what branch of the trade the learner is to be employed.

† All previous employment should be stated. If the learner has not been previously employed in this trade say "None."

(To be filled in by employer.)

We hereby certify that to the best of our knowledge and belief the facts above stated are correct and that we have verified the dates mentioned above and have compared the date of birth with the birth certificate, and we declare that

..... (has been and) will be effectively employed by us from the
..... day of..... 19.....

in the practical learning of the above-mentioned branch of the trade.

Dated this..... *day of*..... 19.....

Signed.....

(The firm's name must be signed here by some person duly authorised.)

(After certification, this form will be detached and returned to the worker. It should then be carefully kept for production if required by or on behalf of the Trade Board, whose property it remains.)

TRADE BOARDS ACTS, 1909 AND 1918.

LACE FINISHING TRADE BOARD (GREAT BRITAIN).

A.

PART I.

APPLICATION FOR CERTIFICATE AS LEARNER.

I hereby apply in accordance with the attached statement of particulars for a certificate to be employed as a learner in the Machine-made Lace and Net Finishing Trade.

Signature of learner.....

Address..... Date.....

The above-mentioned worker is employed by me as a learner, and the foregoing application is made with my knowledge and approval.

Signature of employer }
or authorised agent }

Name and address of employer.....

Date.....

The above application and the attached sheet should be sent at once to the Secretary, Lace Finishing Trade Board (Great Britain), Romney House, Marsham Street, London, S.W.1

B.

CERTIFICATE.

(To be filled in at the Office of Trade Boards.)

The Trade Board established for the Machine-made Lace and Net Finishing trade do hereby grant permission to the above-named learner to be employed as a learner (strike out (a) or (b)):-

(a) in a warehouse and regularly engaged upon work other than clipping, scolloping, drawing or roving:

(b) in a warehouse or workshop, and engaged in frame clipping, at not less than the learners' rates as set out in the notices of the minimum rates of wages fixed from time to time by the above Trade Board and made effective.

This certificate is granted on the basis that the information furnished by the employer and worker in the statement of particulars is correct, and may be withdrawn if the Trade Board consider that the conditions of employment have ceased to be such as would have originally justified the grant thereof.

The following amongst other information appears on the statement of particulars:-

Date of learner's birth..... day of....., 1.....

Date of entering upon this employment.....

day of..... 19.....

Total of all periods served in the trade prior to the above date..... years

..... months.

Signed.....

Secretary.

Do e.....

C.

TERMINATION OF EMPLOYMENT.

(To be filled in when the learner leaves the employment referred to in the above certificate.)

When the learner leaves her employment, the employer should enter the date of leaving in the space below, and return the form to the learner, in whose possession it should remain.

The learner above-mentioned left my employment on.....

Signature of employer }
or authorised agent }

BRITISH WAGES BOARDS

PART II.

SUBSEQUENT EMPLOYMENTS IN THIS TRADE.

The certificate overleaf and any certificate appearing below are valid only in respect of the specified employment. When the worker obtains new employment as a learner in this trade a fresh application for a certificate as a learner must be made. For this purpose the further particulars specified below must be supplied in the appropriate part below and forwarded to the Secretary, Lace Finishing Trade Board (Great Britain), Romney House, Marsham Street, London, S.W.1. Until the new certificate has been issued the worker is not certified as a learner in respect of the new employment.

A. APPLICATION.

Name and address of employer.....

Date of commencement of employment..... 19.....

Signature of employer }
or authorised agent }

Application is hereby made for a certificate in respect of the above employment.

Signature of learner.....

Date.....

When the above particulars are filled in, this form should be forwarded by the employer to the Secretary of the Trade Board. If the application is granted, the form of certificate below will be completed and returned to the worker. Until this is done the worker is not a certificated learner. The employer will be informed of the issue of the certificate.

B. CERTIFICATE.

To be filled in at the Office of Trade Boards.

Certified on behalf of the Trade Board..... Date.....

C. TERMINATION OF EMPLOYMENT.

To be filled in by the employer when the learner leaves.

The learner above-mentioned left my employment on..... 19.....

Signature of employer }
or authorised agent }

Date.....

A. APPLICATION.

Name and address of employer.....

Date of commencement of employment..... 19.....

Signature of employer }
or authorised agent }

Application is hereby made for a certificate in respect of the above employment.

Signature of learner.....

Date.....

When the above particulars are filled in, this form should be forwarded by the employer to the Secretary of the Trade Board. If the application is granted, the form of certificate below will be completed and returned to the worker. Until this is done the worker is not a certificated learner. The employer will be informed of the issue of the certificate.

B. CERTIFICATE.

To be filled in at the Office of Trade Boards.

Certified on behalf of the Trade Board..... Date.....

C. TERMINATION OF EMPLOYMENT.

To be filled in by the employer when the learner leaves.

The learner above-mentioned left my employment on..... 19.....

Signature of employer }
or authorised agent }

Date.....

Summary of an Application for a Permit of Exemption^a

Registered No. OTB/ . . . / . . . /1936.	.....
Name and Address of firm:	.....
Age and sex of worker:	27. Male.
Particulars of infirmity:	Under-sized and slight drag of one leg.
Length of time in present employment:	10 years.
Total experience in the trade:	10 years.
Particulars of work:	Roundsman.
Reason why piece-work impracticable:	Nature of work.
Rate of wages proposed:	39/1d. per week of 48 hours.
Trade Board rate:	42/— per normal week.

Permits have been granted as follows:—

<i>Date.</i>	<i>Rate.</i>	<i>Period.</i>
10th October, 1928.	14/— per week of 48 hours.	6 months.
18th April, 1929.	17/2d " " " "	6 months.
6th January, 1930.	20/— " " " "	12 months.
8th May, 1931.	20/— " " " "	12 months.
8th July, 1932.	21/6d " " " "	12 months.
26th July, 1933.	28/— " " " "	12 months.
17th July, 1934.	28/— " " " "	12 months.
8th August, 1935.	30/— " " " "	12 months.
22nd October, 1936.	32/6d " " " "	12 months.

In support of the present application, the following medical certificate has been furnished:—

"This is to certify that the worker is in good health and is small for his age."

An officer visited in 1928 and reported as follows:—

"This boy was weighed in my presence—weight 74 lbs, which is the average weight of a boy of twelve. He walks with a slight drag on one leg, due to the fact that his leg was broken twice in order to straighten it when he was about six years old. He could not lift a heavy weight or drive a horse and cart. Mr. . . . said that he was a willing boy and that he would be prepared to consider increasing his wages at the end of six months. The boy is very anxious to retain his position. He looks about twelve years old.

It is recommended that a permit should be issued on the lines proposed by the employer."

^a The action taken by the Board on this application was to grant a permit of exemption for one year.

APPENDIX B STATISTICAL DATA

I. WAGE RATES, COST OF LIVING, WHOLESALE PRICES, AND AGRICULTURAL PRICES, 1914-37

Year	Weekly Wage Rates (In shillings)			Indexes of Weekly Wage Rates (1914=100)				Indexes of Prices (1914=100)			
	Trade Board Rates ^a		Agricultural Rates for Males ^b	Trade Board Rates		Agricultural Rates for Males	General Rates ^c	Cost of Living ^d	Wholesale Prices ^e	Agricultural Prices ^f	Revised Agricultural Prices ^g
	Males	Females		Males	Females						
1914	25.3	13.3	18.0	100	100	100	100	100	100		
1915	25.3	13.3	18.0	100	100	100	111	123	127	126	
1916	25.3	13.3	18.0	100	100	100	121	146	160	158	
1917	31.5	17.5	25.0	125	132	130	155	176	206	199	
1918	34.1	20.9	30.5	135	157	169	195	203	226	230	
1919	54.1	30.6	37.9	214	230	211	214	215	242	255	
1920	58.7	34.2	43.0	232	257	239	271	240	295	289	
1921	56.2	31.9	40.9	222	240	261	210	226	182	217	
1922	51.8	29.2	31.9	205	220	177	170	183	154	167	
1923	49.5	27.8	28.0	196	209	156	167	174	152	155	
1924	49.7	27.8	28.0	196	209	156	172	175	164	159	
1925	49.5	27.9	31.4	197	210	174	173	176	160	157	
1926	49.8	27.0	31.7	197	210	176	173	172	148	150	
1927	49.0	27.5	31.7	194	207	176	170	168	144	143	
1928	48.9	27.6	31.7	193	208	176	169	166	141	146	
1929	48.9	27.6	31.7	193	208	176	168	164	135	143	
1930	48.9	27.6	31.7	193	208	176	167	158	114	133	
1931	48.6	27.3	31.5	192	205	175	163	148	97	119	
1932	48.2	27.2	31.1	191	205	173	160	144	94	111	
1933	47.6	27.1	30.6	188	204	170	160	140	94	106	
1934	47.3	27.0	30.8	187	203	171	162	141	96	113	
1935	47.5	27.2	31.8	188	204	177	164	143	99	116	
1936	47.6	27.1	32.2	188	204	179	170	147	104	121	
1937	49.2	28.0	33.3	194	211	185	177	154	121	132	

^a These figures represent the average weekly Trade Board rates for the lowest grades of experienced adult workers, male and female, applicable on December 31, for each of the years 1914-37. They were obtained by multiplying the average of the hourly rates for all the Trade Board trades by the usual number of hours worked per week in these trades. The hours usually worked per week between 1914 and 1918 were 52; since October 1919 they have been 48. If more than one rate was set by a Trade Board for adults of this class, the one applying to the largest number of workers was selected. The figures are not weighted owing to lack of data. But the fact that the rates fixed for the different trades clustered about the average indicates that weighting would make little difference.

The 1914 hourly figure (which is used as the base for the indexes) is the average of the hourly rates effective on Dec. 31, 1914, and the rates fixed during the following year by new Trade Boards, which were determined by pre-war conditions (Cave Committee Evidence, p. 108). The hourly rates for 1915-37 were obtained from Trade Board orders. Since 1922 these rates have been listed in annual reports of the Ministry of Labour.

^b These rates are average weekly summer rates for ordinary male agricultural workers. The summer rates were chosen as being the most significant rates for agriculture. The rates for the years 1914-17 and 1922-24, when there was no statutory regulation of wages, are derived from monthly estimates of prevailing rates as published in the Agricultural Wages Report, 1925, pp. 58-59. The rates for 1918-21 are derived from average rates applicable under the Corn Production Act, 1917, as published in the Agricultural Wages Report, 1925, p. 58. The rates for 1925-37 are the average summer rates fixed under the Agricultural Wages (Regulation) Act, 1924, as given in the annual reports of the Agricultural Wages Board. No data on weekly wage rates of female agricultural workers are available.

^c These are the Ministry of Labour indexes of rates of wages for adult workers on December 31 in certain industries and occupations in the United Kingdom converted to a December 1914 base. The Ministry of Labour indexes are weighted in accordance with the relative importance in 1924 of the industries considered. Though agriculture and a few Trade Board trades are included, their influence is negligible. The index is disproportionately influenced by male rates, however, since the proportion of men's rates to the total rates considered in the index is larger than the proportion of men to the total workers in all industries. The Ministry of Labour indexes for 1914-20 (*Nineteenth Abstract of Labour Statistics of the United Kingdom*, pp. 100-101) are based on rates of wages in 19 industries; for 1921-37 (*Twenty-Second Abstract of Labour Statistics of the United Kingdom*, p. 81, and *Supplement to the Ministry of Labour Gazette* for February 1938) they are based mainly on rates in the same 19 industries, but also take account of rates in 13 other industries.

^d These indexes are averages for the year based on monthly figures showing percentage increase since July 1914 of the working-class cost of living (all items) as published monthly in the *Ministry of Labour Gazette*. The working-class cost of living in July 1914 is taken as the base of the indexes since no average for the year of 1914 is obtainable.

^e These indexes are averages for the year of the weekly indexes of wholesale prices (general) as published in the *Statist*, converted to a 1914 base.

^f These figures are the indexes for the calendar year of prices paid to farmers for agricultural produce as published by the Ministry of Agriculture and Fisheries in *Agricultural Statistics*, converted to a 1914 base.

^g These figures are the revised indexes for the calendar year of prices paid to farmers for agricultural produce as published by the Ministry of Agriculture and Fisheries in *Agricultural Statistics*, converted to a 1914 base. This index includes payments under the Wheat Act, 1932, and the Cattle Industry (Emergency Provisions) Act, 1934 and 1936.

2. MONTHLY INDEXES OF WAGE RATES, COST OF LIVING, AND WHOLESALE PRICES, JANUARY 1919-JUNE 1922

(1914 = 100)

Year	Weekly Wage Rates				Cost of Living ^d	Wholesale Prices ^e
	Trade Board Rates ^a		Agricultural Rates for Males ^b	Rates in Selected Industries ^c		
	Males	Females				
1919 Jan.	135	160	169	206	220	226
Feb.	144	167	169	207	215	221
Mar.	144	167	169	207	210	217
Apr.	144	167	169	207	205	217
May	144	171	210	209	205	229
June	144	171	210	210	208	235
July	157	184	210	216	215	243
Aug.	157	184	210	216	215	250
Sept.	157	197	210	218	210	253
Oct.	193	220	210	218	225	264
Nov.	205	229	210	220	225	272
Dec.	214	230	210	226	225	277
1920 Jan.	218	234	210	229	230	289
Feb.	218	234	210	229	230	306
Mar.	217	236	210	234	232	308
Apr.	220	241	239	235	241	313
May	222	241	239	253	250	306
June	224	244	239	261	252	301
July	227	246	239	264	255	300
Aug.	228	251	260	266	261	298
Sept.	229	253	260	270	264	293
Oct.	231	257	260	270	270	282
Nov.	232	257	260	274	269	263
Dec.	232	257	260	276	265	244
1921 Jan.	233	258	260	277	251	232
Feb.	234	258	260	276	241	215
Mar.	234	258	260	275	233	200
Apr.	236	261	260	271	228	200
May	237	260	260	269	219	191
June	236	258	260	264	219	183
July	236	259	260	253	222	186
Aug.	232	254	260	243	220	182
Sept.	228	249	235	237	210	176
Oct.	224	245	222	233	203	163
Nov.	223	245	210	227	199	161
Dec.	222	240	205	223	192	157
1922 Jan.	220	239	186	217	188	156
Feb.	218	235	183	214	186	156
Mar.	216	234	180	214	182	157
Apr.	214	232	179	206	181	159
May	218	227	178	202	180	160
June	211	227	178	197	184	160

^a These figures are end of the month indexes read from the chart on p. 158, *The British Trade Boards System*, by Dorothy Sells, adjusted to meet the conditions as to base and hours described in note c, table 1.

^b These figures are based on monthly percentage increases over 1914 as given in the *Agricultural Wages Report, 1925*, pp. 58-59.

^c These indexes are the average of the index numbers of the rates of wages paid for a normal week to (1) bricklayers and laborers, (2) engineering fitters and laborers, (3) compositors, (4) dock laborers, (5) railwaymen, (6) woolen workers, (7) cotton workers, (8) miners, and (9) agricultural laborers. In general they include changes reported up to the end of the month. From March 1922 they include those reported by the middle of the month. They were prepared by Prof. A. L. Bowley and published in the "Reconstruction in Europe" numbers of the *Manchester Guardian Commercial*, sec. 12, p. 769. The base is not specified but from the discussion it appears to be 1914.

^d These are end of the month indexes derived from Ministry of Labour cost of living figures described in note d, table 1.

^e These are end of the month indexes as published in the *Statist* and converted to a 1914 base.

3. INDEXES OF COST OF LIVING AND REAL WAGE RATES, 1914-37
(1914 = 100)

Year	Cost of Living ^a	Real Weekly Wage Rates ^b			
		Trade Board Rates		Agricultural Rates for Males	General Rates
		Males	Females		
1914	100	100	100	100	100
1915	123	81	81	81	90
1916	146	68	68	68	83
1917	176	71	75	79	88
1918	203	67	77	83	96
1919	215	100	107	98	100
1920	249	93	103	96	109
1921	226	98	106	115	93
1922	183	112	120	97	93
1923	174	113	120	90	96
1924	175	112	119	89	98
1925	176	112	119	99	98
1926	172	115	122	102	101
1927	168	115	123	105	101
1928	166	116	125	106	102
1929	164	118	127	107	102
1930	158	122	132	111	106
1931	148	130	139	118	110
1932	144	133	142	120	111
1933	140	134	146	121	114
1934	141	133	144	121	115
1935	143	131	145	124	115
1936	147	128	139	122	116
1937	154	126	137	120	115

^a See note d, table 1.

^b These indexes were obtained by dividing the indexes for Trade Board, agricultural, and general rates of wages given in table 1 by the cost of living index.

4. WAGE RATES AND HUMAN NEEDS AND SUBSISTENCE LEVELS OF LIVING, 1914-37

(In shillings per week)

Year	Weekly Wage Rates ^a			Human Needs Level			Subsistence Level		
	Trade Board Rates		Agricultural Rates for Males	Urban Family ^b	Urban Female ^c	Rural Family ^d	Urban Family ^e	Urban Female ^f	Rural Family ^g
	Males	Females							
1914	25.3	13.3	18.0	34.0	19.9	26.6	23.0	10.0	19.9
1915	25.3	13.3	18.0	40.2	23.5	32.1	28.0	12.3	24.6
1916	25.3	13.3	18.0	47.0	27.7	37.9	33.0	14.7	29.3
1917	31.5	17.5	25.0	55.1	35.6	45.9	39.7	18.0	35.7
1918	34.1	20.9	30.5	67.2	49.4	54.6	46.8	21.3	42.3
1919	54.1	30.6	37.9	72.4	43.5	59.0	50.1	22.7	45.2
1920	58.7	34.2	43.0	83.4	50.3	68.1	57.8	26.4	52.3
1921	56.2	31.9	46.9	76.1	44.7	61.1	52.1	23.0	46.3
1922	51.8	29.2	31.9	63.7	37.3	50.2	42.6	18.6	37.3
1923	49.5	27.8	28.0	60.4	35.5	47.7	40.4	17.7	35.4
1924	49.7	27.8	28.0	60.4	35.4	47.7	40.7	17.8	35.6
1925	49.8	27.9	31.4	60.6	35.7	47.9	40.9	17.9	35.8
1926	49.8	27.9	31.7	60.1	34.9	47.3	40.4	17.4	35.2
1927	49.0	27.5	31.7	58.6	34.4	46.1	39.2	17.1	34.2
1928	48.9	27.6	31.7	58.1	34.3	45.7	38.7	17.0	33.8
1929	48.9	27.6	31.7	57.9	34.0	45.4	38.5	16.9	33.5
1930	48.9	27.6	31.7	56.1	33.0	43.9	37.2	16.2	32.3
1931	48.6	27.3	31.5	53.5	31.2	41.5	35.2	15.1	30.2
1932	48.2	27.2	31.1	52.2	30.4	40.4	34.2	14.7	29.4
1933	47.6	27.1	30.6	51.3	29.8	39.5	33.4	14.3	28.6
1934	47.3	27.0	30.8	51.7	30.0	39.9	33.7	14.4	28.8
1935	47.5	27.1	31.8	52.0	30.2	40.2	34.1	14.6	29.2
1936	47.6	27.1	32.2	53.0	30.8	41.0	35.0	15.0	30.0
1937	49.2	28.0	33.3	55.2	32.1	42.9	36.7	15.8	31.6

^a See notes a and b, table 1.^b These figures are based upon the estimate made by B. Seebohm Rowntree in *The Human Needs of Labour*, p. 123, of the weekly amount required to maintain a family consisting of a man, wife, and three children in a town at the "human needs" level of living. The Rowntree estimate is based on 1936 prices of food, clothing, rent, fuel and light, and sundries. This estimate has been adjusted for other years to meet changes in the cost of each group of items as indicated by the Ministry of Labour cost of living figures.^c The figures for urban females are based upon Rowntree's estimate of the weekly amount required to maintain a single woman in a town at the human needs level (*The Human Needs of Labour*, p. 110). Rowntree does not give separate amounts for food and for rent in this budget, but combines them in one board and lodging figure. In computing these estimates, 70 per cent of the board and lodging figure has been allocated to food and the rest to rent. The total estimate has been adjusted to meet changes in the cost of each item of the budget as indicated by the Ministry of Labour cost of living figures.^d These figures are based upon the estimate made by Rowntree (*The Human Needs of Labour*, p. 123) of the weekly amount required to maintain a family consisting of a man, wife, and three children in the country. The estimate is based on 1936 prices of food, clothing, rent, fuel and light, and sundries. This estimate has been adjusted for other years to meet changes in the cost of each group of items as indicated by the Ministry of Labour cost of living figures.^e Estimates of the weekly amounts required in successive years to provide a subsistence level of living are based on the benefit allowed in 1936 to a man, wife, and three children under the Unemployment Insurance Act (general scheme). On the assumption that the amount would be allocated in the same proportion as the Rowntree budget exclusive of sundries for an urban family, the benefit has been adjusted to meet changes in the cost of each group of items as indicated by the Ministry of Labour cost of living figures.^f The estimates of the weekly amounts required in successive years to provide a subsistence level of living are based on the benefit allowed in 1936 to a single woman with no dependents under the Unemployment Insurance Act (general scheme). On the assumption that the amount would be allocated in the same proportion as the Rowntree budget exclusive of sundries for a single woman living in a town, the benefit has been adjusted to meet changes in the cost of each group of items as indicated by the Ministry of Labour cost of living figures.^g These estimates of the weekly amounts required in successive years to provide a subsistence level of living are based on the benefit allowed in 1936 to a man, wife, and three children under the Unemployment Insurance (Agriculture) Act. On the assumption that the amount would be allocated in the same proportion as the Rowntree budget exclusive of sundries for a rural family, the benefit has been adjusted to meet changes in the cost of each

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