

BRITISH LABOUR

COMPANION VOLUME

FROM THE SAME PUBLISHERS

BRITISH FINANCE

DURING AND AFTER THE WAR

1914-21

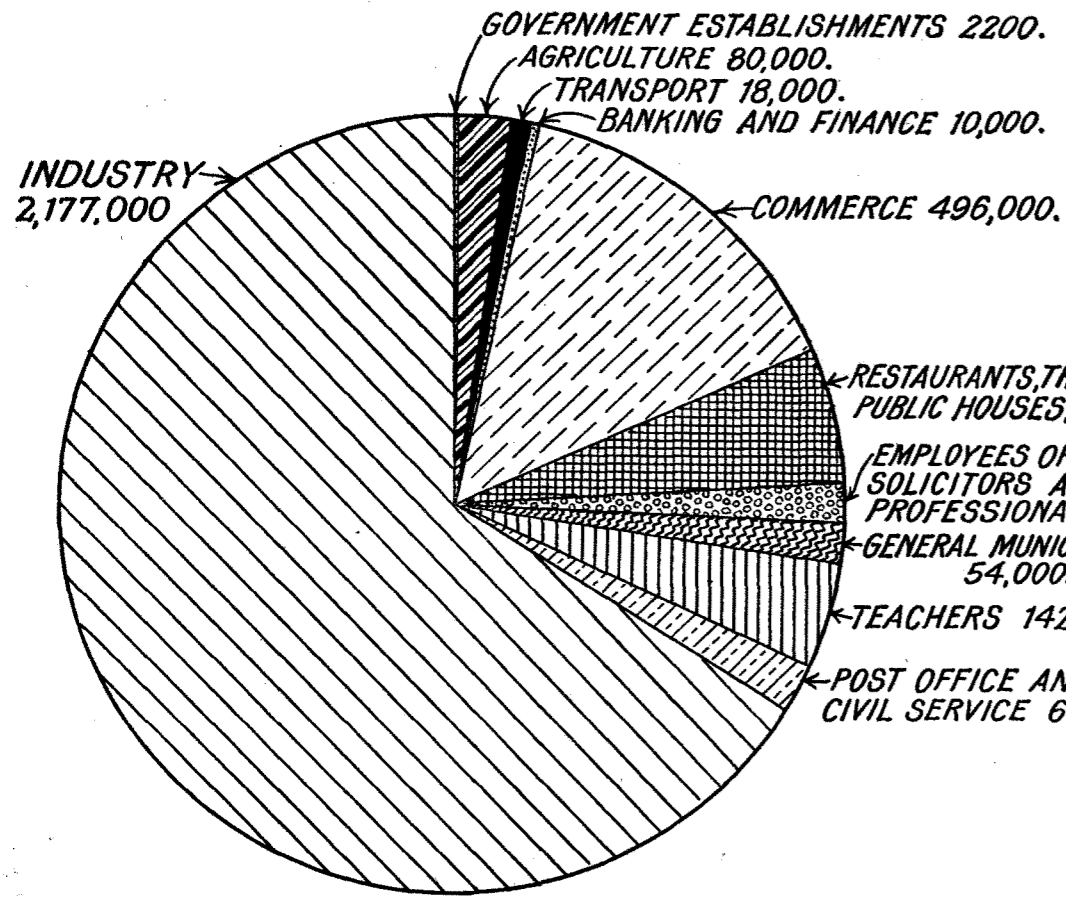
Being the result of investigations and materials collected by a Committee of Section F of the British Association.

Co-ordinated and brought up to date for the Committee by A. H. GIBSON, *Fellow of the Royal Statistical Society, Fellow of the Institute of Bankers.*

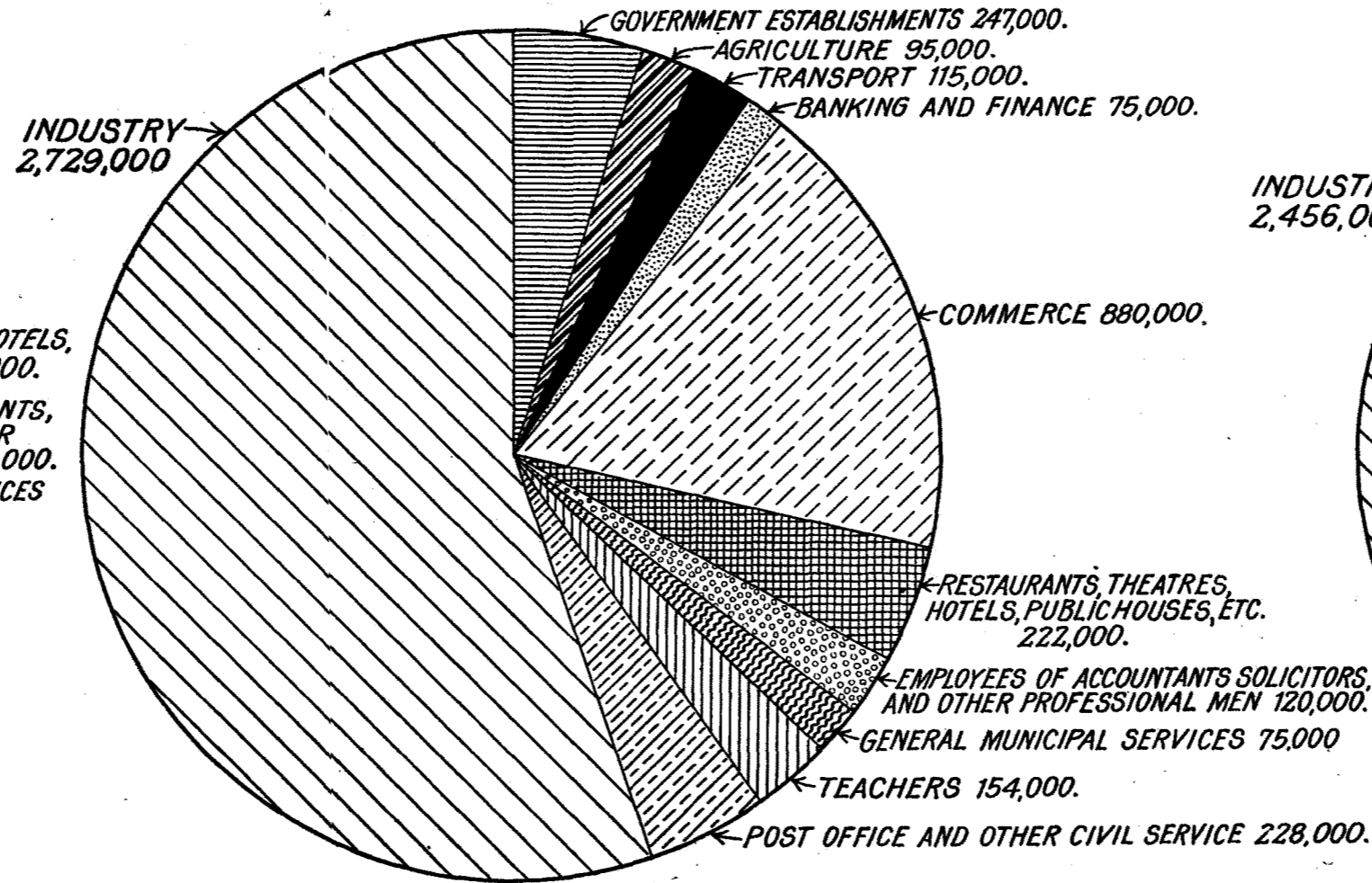
Edited by A. W. KIRKALDY, *M.A., B.Litt. (Oxford), Dean of the Faculty of Economics and Commerce, University College, Nottingham.*

DIAGRAMS SHOWING, ON THE SCALE OF ONE SQUARE MILLIMETRE TO 400 WORKPEOPLE, THE NUMBER AND DISTRIBUTION BY OCCUPATION OF THE FEMALES EMPLOYED IN THE UNITED KINGDOM IN JULY, 1914; NOVEMBER, 1918; AND JULY, 1920

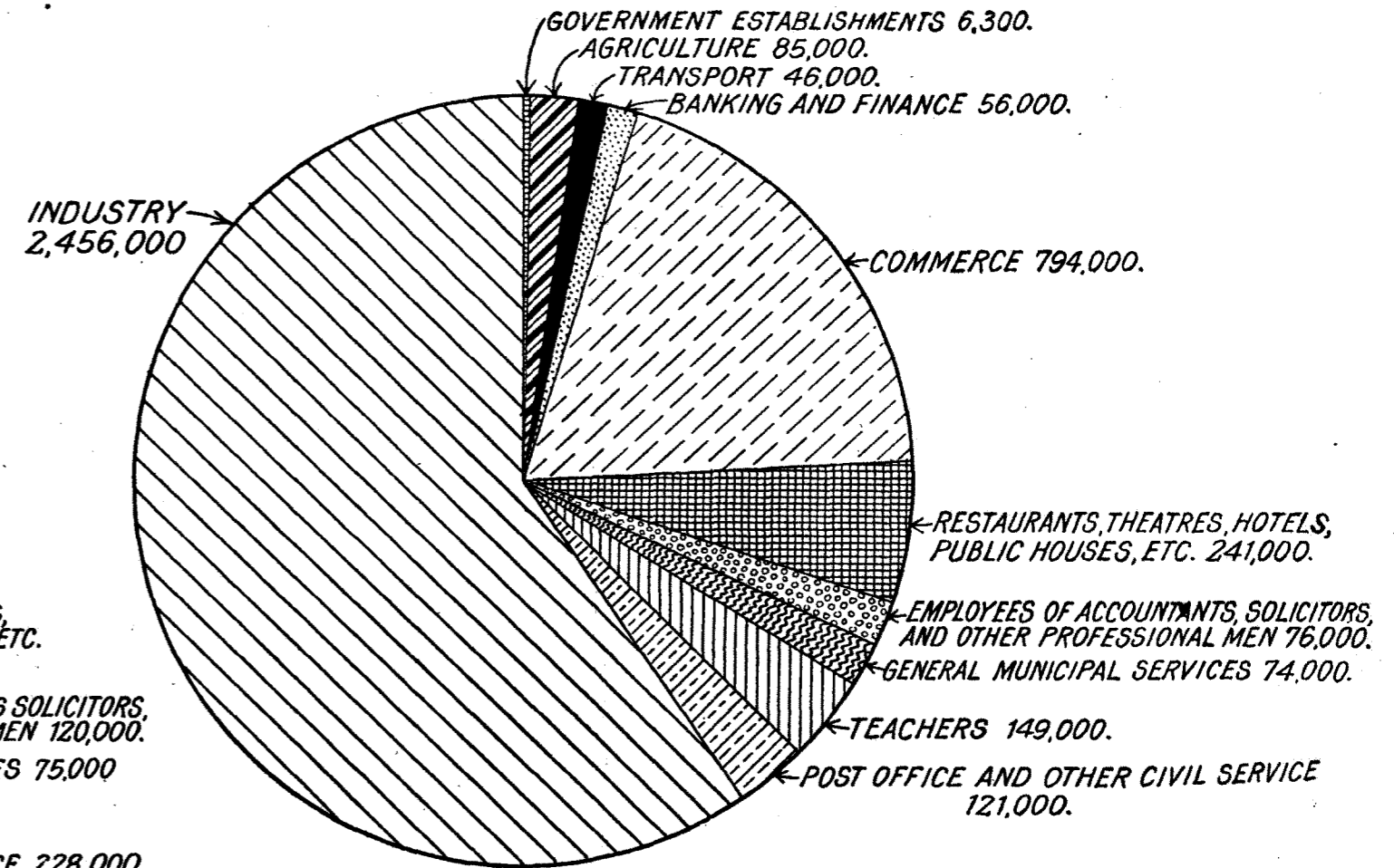
(A) ALL OCCUPATIONS COVERED IN TABLE I



JULY 1914.



NOVEMBER 1918.



JULY 1920.

GOVERNMENT ESTABLISHMENTS. (DOCKYARDS, ARSENALS AND NATIONAL FACTORIES.)

AGRICULTURE.

TRANSPORT.

BANKING AND FINANCE.

COMMERCE.

RESTAURANTS, THEATRES, HOTELS, PUBLIC HOUSES, ETC.

EMPLOYEES OF ACCOUNTANTS, SOLICITORS AND OTHER PROFESSIONAL MEN.

GENERAL MUNICIPAL SERVICES.

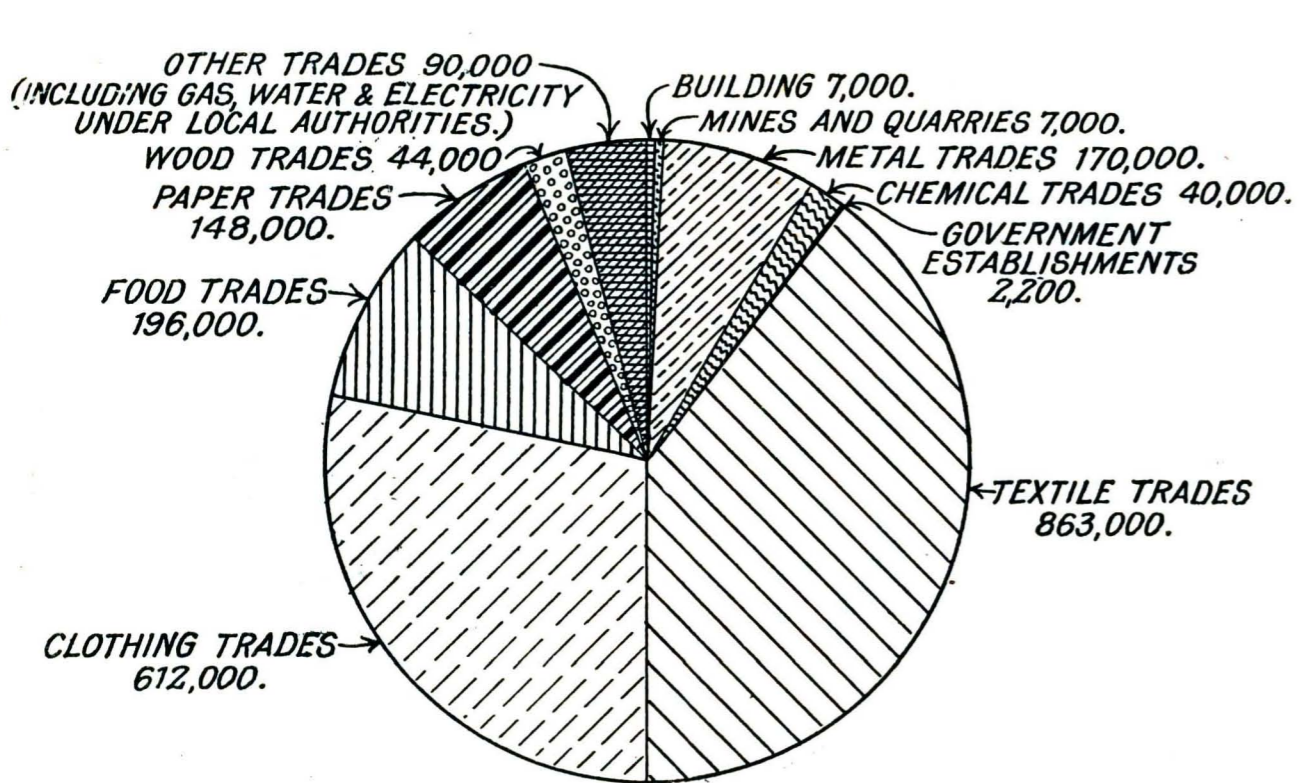
TEACHERS (UNDER LOCAL AUTHORITIES.)

POST OFFICE AND OTHER CIVIL SERVICE.

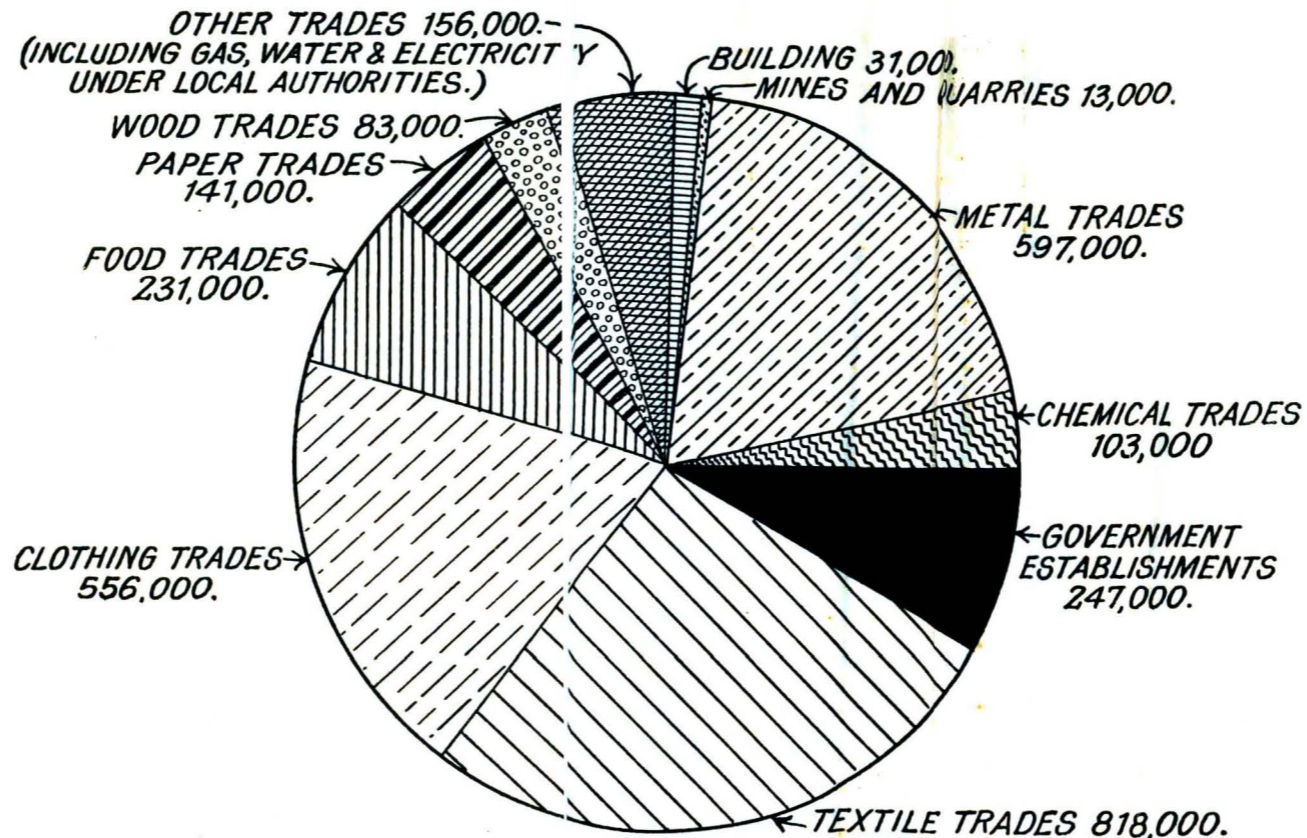
INDUSTRY. (INCLUDING MUNICIPAL ESTABLISHMENTS.)

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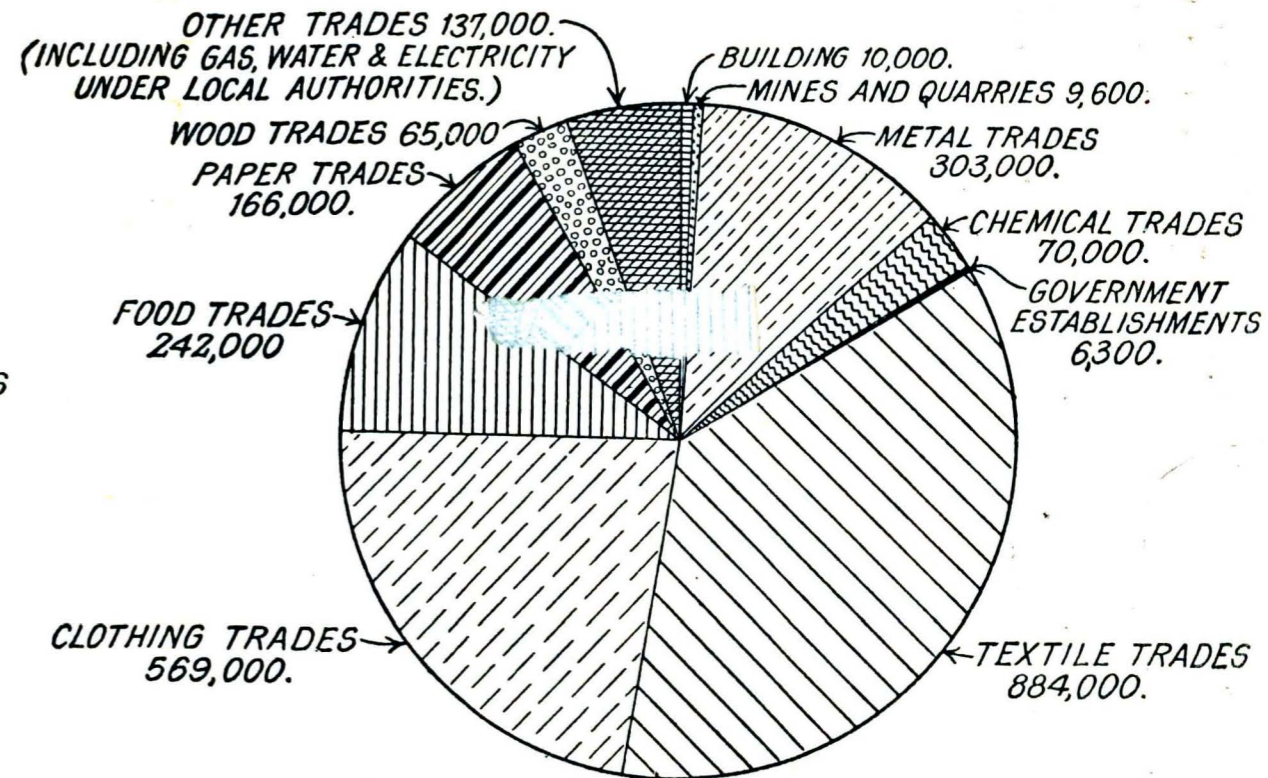
(B) INDUSTRY FURTHER ANALYSED



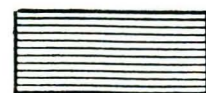
JULY 1914.



NOVEMBER 1918.



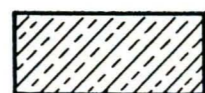
JULY 1920.



BUILDING TRADES.



MINES AND QUARRIES.



METAL TRADES. (UNDER PRIVATE OWNERSHIP.)



CHEMICAL TRADES. (UNDER PRIVATE OWNERSHIP.)



GOVERNMENT ESTABLISHMENTS. (DOCKYARDS, ARSENALS AND NATIONAL FACTORIES.)



TEXTILE TRADES.



CLOTHING TRADES.



FOOD, DRINK AND TOBACCO TRADES.



PAPER AND PRINTING TRADES.



WOOD TRADES.



OTHER TRADES. (INCLUDING GAS, WATER AND ELECTRICITY UNDER LOCAL AUTHORITIES.)

PREFACE

It is hoped that this book may prove to be of assistance in the solution of some of the economic problems which are pressing upon the attention of this country.

The discussions arranged by the Economics Section of the British Association at Manchester, in the summer of 1915, aroused considerable interest, and there was a widespread demand that they should be available to a more extensive public than could attend the meetings. Under the circumstances, immediate publication was deemed to be essential. Thus, although the Reports were interim, and the discussion on Industrial Harmony not only as incomplete as such discussions must necessarily be, but also somewhat inconclusive, being preliminary, and the views expressed being by no means identical, it was decided to publish with as little delay as possible. There resulted four volumes of Reports, which quickly went out of print. The present volume sums up and co-ordinates the section relating to labour.

Professor W. R. Scott, of Glasgow University, wrote the preface to the first volume, from which the following is reprinted—

“Economic questions assumed increasing importance during the course of the great struggle, and in all probability their importance will continue to increase for some years yet. The meeting of the Economics and Statistics section of the British Association afforded an opportunity of collecting and discussing the opinions of a large number of persons whose views were of interest or carried weight. Accordingly, the Organizing Committee decided to concentrate discussion upon those problems which were of immediate and pressing importance. It appeared that there were three groups of these, namely, the prevalence of industrial unrest, the manner in which the labour absorbed by the war was replaced, and the state of credit, currency, and finance as affected by the war. The Committee recognized that these problems could not be dealt with adequately by the method usually adopted by the section by means of separate papers. After a considerable amount of discussion it was decided that the best way of treating the problem of the minimizing of industrial friction was, in the first instance, by assigning one day for a full discussion of this subject. As a

result of that discussion a research committee was formed which reported to the next meeting.

"The remaining subjects presented considerable difficulties. It soon appeared that the problem of outlets for labour after the war was vast and that it introduced many elements which were then hypothetical. Therefore, for the present, attention was concentrated on one aspect of this problem, namely, the extent to which there had been a replacement of the labour of men by that of women during the war. The position during the summer of 1915 was one of change; and in order to present some definite picture of the situation to the meeting, it was necessary to organize a very extended investigation—no less than eighteen investigators contributed to the inquiry. The Conference which initiated and directed the research consisted partly of members of the Organizing Committee, partly of experts who had special knowledge regarding some branch of the inquiry. Professor Kirkaldy, the Recorder of the Section, acted as Secretary of the Conference. The inquiry was prosecuted actively in the London, Birmingham, Leeds, and Manchester districts. In London, a sub-committee was formed with Professor L. T. Hobhouse as Chairman, Mr. J. St. G. Heath as Hon. Secretary, and Mr. E. F. Hitchcock as Secretary. Professor Kirkaldy organized the investigation in the Birmingham district, with the co-operation of Miss Anne Ashley.

"A second Conference, also composed of members of the Organizing Committee, together with experts, was constituted, with Mr. J. E. Allen as Secretary, to report on the effects of the war upon credit, currency, and finance. The inquiries involved were long and detailed, and information of great value was placed at the disposal of the Conference by its members and by others who were consulted upon a number of special points.

"If the address for which I am responsible be added, it will be seen that, as far as the time at our disposal allowed, a serious attempt has been made by co-operative effort to focus and direct economic opinion upon the outstanding economic problems occasioned by the war. It is the earnest hope of those who took part in the work that their efforts may be of some service to the nation. Those concerned in the work would have preferred to have waited for more complete details and for a more matured judgment upon the facts already collected. By sharing the observations which have been

made so far, it is to be hoped that these will be amplified or corrected by others and thus progress may be made as rapidly as possible.

"It is my privilege, as President of the Economic Section for the year 1915, and as Chairman of the two Conferences, to thank most warmly those who have contributed to the production of this volume. The Council of the British Association was good enough to make a special grant to us under the exceptional circumstances. Without it, the Conference on Outlets for Labour could not have proceeded. Professor Kirkaldy, as Recorder of the Section and as Secretary of the Conference already mentioned, has been invaluable. Mr. Allen, the Secretary of the other Conference, was most thorough in his work upon the various stages between the inception and the completion of the Report. To Miss Anne Ashley, Mr. St. G. Heath, Mr. Hitchcock, and Professor Hobhouse we are very greatly indebted, as well as to the investigators who worked with them. It is most remarkable how men engaged in great affairs responded to the invitation of the Credit Conference. We owe more than I can express to the alacrity with which they placed the stores of their experience at the disposal of this body."

The Editor wrote the prefaces to the succeeding volumes. By quoting from them the working out of the plans of the Committee can be realized at a glance. Thus, quoting from the preface to the volume entitled *Labour, Finance, and the War*, published in 1916, it is seen that—

"This book is the result of organized co-operative effort. The work of last year, published under the title of *Credit, Industry, and the War*, was so well received that it was determined to proceed with another volume. Three committees of investigation were established, and the British Association most generously furnished funds to continue the work.

"The investigations which have been completed should prove helpful to those who will be responsible for our economic reconstruction when peace is restored. The financial position and its possibilities have been examined and explained by experts, and labour difficulties, both those which have caused anxiety for years past and those brought into existence by war conditions, have been discussed with those in practical touch with them. Thus it is hoped that the recommendations here put forward may not only arouse interest but lead to some definite results.

"The fear undoubtedly exists in industrial circles that peace abroad may bring us face to face with serious troubles at home. If Capital and Labour should enter upon a period of strife the seriousness of the consequences can hardly be exaggerated. Thus an attempt has been made to construct a forecast of the commercial future. This forecast is the result of many discussions with representatives of varied interests, and it is printed in the hope that it may stimulate others to give thought to the subject. The knowledge and experience of business men may lead them to modify or develop some of the points advanced. But if it induce leaders in the commercial world to make a definite effort to look ahead with a view to discussing their conclusions with all other interested parties, a great thing will have been achieved. One is convinced that unless the leaders on both sides of industry take up a more statesmanlike attitude there is more than the possibility of a disastrous struggle. Common sense, frankness, and a disposition to give and take are required from both sides. If these be practised, and our trade organization be developed on the lines suggested in the following pages, there would be little need to feel anxious as to our industrial and commercial future.

"The chapter on replacement of men by women contains many surprises, and deserves careful attention. A comparatively small number of women replaced men, but the introduction of new methods, especially new machinery, and improvements in works organization, together with the cheerful response of all to the call to make great efforts, resulted in enormously increasing the production not only of munitions, but of all kinds of war equipment. Nor did the national effort stop there, as can clearly be seen by referring to the figures of our export trade. In a word, the nation bestirred itself in every sphere. The comparatively sleepy days of the Victorian Age are at an end: the call is to effort, and still more of it. Two years ago no one realized what the nation could accomplish; to-day all the world is aware that the British Empire cannot be lightly challenged by sea, by land, in the air, or in the workshop.

"The work on the replacement of men by women was carried through by local committees, working under considerable difficulties. The results were co-ordinated by the Secretary—Mr. James Cunnison—under the guidance of Professor Scott. On the whole, the local

investigations were most thoroughly carried out. Special thanks are due to Miss Mellor and Miss Ashley, Messrs. H. E. R. and J. E. Highton, and Mr. Halliday.

"The Committee over which I had the honour to preside included well-known representatives of both Capital and Labour, as well as Economists. It was very striking to find not only how all realized the seriousness of the interests at stake, but that the points on which they were in agreement were infinitely more important than those on which there was some difference of opinion. All agreed as to the need for supplying more information when industrial decisions have to be made, all regretted that in the past a want of frankness has so frequently been the cause of failure to find a solution. The attitude of all, supplemented by that of other representative men interviewed during the course of the inquiry, strengthens the hope that we may be on the threshold of a new era. If only the attitude taken up under the stress of war be maintained for a few years a peaceful revolution will result, and we shall wonder why we did not take the obvious steps sooner."

From the preface to the third volume the following is quoted—

"For a third year in succession, organized co-operative effort has resulted in the production of a volume which should be found of intense interest and prove of considerable value to those who are either studying the economic effects of the war or are in the responsible position of having to guide the nation through a period full of intricate problems and great danger.

"One part of the investigations undertaken by the British Association has this year been marking time. The Government, impelled by a condition of affairs in the industrial world which might have developed in a manner dangerous to our prosecution of the war, set up a Commission to inquire into industrial unrest. It was therefore decided not to publish any detailed report on the subject in this volume. But we have been fortunate in persuading Mr. C. G. Renold, of Manchester, to write a section on his plans for creating Shop Committees in his own works. This part of the book will, one believes, prove by no means the least interesting amongst material teeming with interest. Special thanks are due to Mr. Renold—a very busy man—for finding time to set down his thoughts and experiences on paper, and for allowing their publication here.

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"It is very gratifying to find that serious efforts are being made in several directions to prevent industrial friction on a large scale breaking out when peace dawns, and that these efforts follow closely on the recommendations made in our previous volumes. The practical nature of these recommendations has appealed strongly to labour, capital, and the official world alike. It is to be hoped sincerely that the result of these efforts may be to place our industrial interests on the solid foundation of harmonious co-operation, employers and employees both realizing that their real interests are bound up in common well-being. Well-paid, satisfied labour alone can give that maximum of production which is more than ever necessary under present circumstances, and will continue to be so for many years to come. High wages, satisfactory profits, fair prices, and an adequate working day for all, will never be possible where friction, discontent, and restricted production are practised. But all these should be possible if goodwill and understanding subsist between employers and employed.

"The section in this volume on 'The Replacement of Men by Women' contains much that is worthy of careful thought. The local reports and appendices contain the detailed information bearing out the conclusions which the Committee has drawn up. Special gratitude is due to Professor Kydd, who devoted his furlough from India to the work of drafting this report.

"In conclusion, it may be said that our investigations warrant us in looking forward optimistically. The nation appears to be imbued with a new spirit, and nearly every department of the national life has been quickened to new efforts for the lasting good of all. The war has caused enormous loss. The sad, irreparable loss of young life is most to be deplored, but the lives laid down have not been given in vain if one reads aright the signs of the times. Large accumulations of material wealth, too, have been consumed. We have emerged from the war a poorer people. But war has revealed to us wealth in its true proportions. The community and the individual should have truer notions of life and its meaning.

"From the point of view of the section of the Association responsible for this book, it may be said that Economics has entered upon a new epoch. The importance of the subject has been brought home to every section of the community and, unless

one is very greatly mistaken, it will never be possible again to describe the subject as the *dismal science*. A lead has been given to at least one great section of the nation, and it is a remarkable fact that this lead has not fallen upon deaf ears.

"Our race and our Empire may regard the future with confidence : the great test has been applied, and has evoked a noble response."

The fourth volume, published in 1920, was a small supplementary volume bringing the previous work up to date. Miss Grier¹, of Newnham College, Cambridge, and Miss Ashley, then of the Board of Trade, but now of the City of Edinburgh Council of Social Service, did the principal part of the work in that volume, and they have now spent an immense amount of time in reviewing the whole of the material from 1914 to date. Thus the important section on replacement in the present volume is due to their industry and efforts. They have rendered the Editor's work light indeed. His very special thanks are due to them.

Mr. C. G. Renold has most kindly re-written and developed the interesting chapter he supplied in a previous volume on Workshop Committees. To obtain from a first-hand authority information on this increasingly important subject is a most valuable contribution to the present volume.

In conclusion, one hopes that the account of how women entered industry during the war, and then, when the Armistice came, allowed themselves to be gradually replaced as the Armies were demobilized, without clamouring for "rights" or compensation, should prove to be one of the brightest pages in the great record of women's service to the Empire during this great ordeal. The great question as to what extent women can be employed in our industry is by no means settled. The experience gained during this great epoch should help materially in showing what special spheres women can occupy in our industries with advantage, and one is optimistic enough to believe that, when normal times re-appear, the industrial and commercial machine will function more satisfactorily both to the individual and to the community, because of the assistance which has been and will be given by the woman worker.

A. W. KIRKALDY.

UNIVERSITY COLLEGE,
NOTTINGHAM, 1921.

¹ Elected Principal of Lady Margaret Hall, Oxford, April, 1921.

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INTRODUCTION

SOME THOUGHTS ON INDUSTRIAL RECONSTRUCTION

THE Great War lasted nearly four and a half years, and was waged more strenuously than any that human history records. It used to be said that a great European war, under modern conditions, could not last more than six months ; but this prediction, like so many other preconceptions, has been falsified by a world calamity that to the great mass of mankind was entirely unforeseen.

In every sphere this war has worked, and will yet work, great changes ; but in the economic sphere the effects that can already be noted far exceed those in any other.

"The man in the street" will tell you that the war has cost this country alone over £8,000,000,000. In mentioning that sum, he probably thinks of sacks of sovereigns, a printing press feverishly turning out Treasury Notes, and the various devices with which he is familiar for making currency or credit. But it would probably sound strange to him to hear that currency generally has been enormously increased during the war period, for it is not currency that has been consumed. The same "man in the street," especially if he live in an industrial district, will discover that there is money in plenty in circulation ; that the people all look well-to-do, and are living as they seldom or never have before ; and he may conclude that war is, after all, not such a bad thing : at any rate, it brings prosperity.

What is the truth ? When we say that the war has cost about £8,000,000,000, we mean that we have consumed that amount of commodities and services ; that we have diverted capital and labour into new channels of production, but that these channels, unlike those connected with a good scheme of irrigation—which may make the wilderness to blossom like the rose—have emptied themselves in the desert, and the runnels are now dry and worthless. To put it plainly, the warring Powers during the war period, some entirely, others more or less partially, turned their attention from profitable production—the output of wealth, the exchange or use of which will produce new wealth—to the production of

instruments of destruction. When these instruments are utilized, they not only consume themselves and leave practically nothing remaining, but they carry out a work of destruction which entails the loss of other accumulations or possibilities of wealth. Nor is the consumption of the instruments and munitions of war the sole or chief material loss to the combatants. The men handling those weapons have to be trained and transported to the field of action, fed during the period of their service, tended when sick or wounded, and clothed and housed in some way. All these operations consume a quantity of food, clothing, and other materials of various descriptions, and there is absolutely nothing tangible to show for this expenditure.

To take our own case, 5,000,000 men trained to industry, helping to carry on the business and trade of this country, would consume almost as much food and clothing, and other materials, as the men in the field and on the sea ; but, as a return for that consumption, there is more than corresponding production of useful commodities, machines, ships, and railway stock which, in turn, assist in the work of developing the natural resources of the world, or of directly taking part in the work of further production. Thus the position is that during the war we were consuming our wealth, and to that extent must remain the poorer and be short of many of the goods and services we used to consider necessities of life, until we have, by renewed efforts, and a return to the industries and commerce of peace, taken measures to restore those useful things which have been consumed.

Now that the war is over, it is incumbent on us all to redouble our activities ; increase the productivity of mill, factory, and field : for so long as there is a deficiency in excess of what we were accustomed to, so long must some of us, and especially the poorer members of the community, feel the pinch occasioned by this devastating war.

But it may be asked : How are we to increase our productivity ? The war, in spite of the suffering and loss occasioned, has not been all loss. As a nation—nay, as an Empire—we have found ourselves. We have taken measures which must result in improving the physique of our race. Of the many thousands of men who have been trained to arms and submitted to discipline, the great majority happily may return to their former occupations now that

peace is made. The self-sacrifice practised by these men will act as a leaven among our population—it has already done so. Have we emerged from this war a better disciplined, a more serious people—better equipped mentally and physically to cope with new conditions? We have learned at any rate what hitherto had only been suspected or was at most known to a few, that we have not produced anything like our industrial maximum.

An insidious element of friction threatening to develop into class war has been sapping our energies practically unchecked far too long. There have been faults on both sides, but daylight is being thrown over the situation, and the waste and loss of this friction has been laid bare. If we do not take to heart this great experience and alter our ways for the better, then we deserve to go down as a nation: but I am persuaded that the lesson is being learned, that the picture now visible of industrial waste and loss—a loss that falls most hardly on the masses of the people, will not pass before our eyes unheeded.

Not only was there loss through friction between employer and employed, but in many industries we were continuing to use out-of-date tools and methods long after they should have been discarded. A long era of prosperity had not, indeed, caused decadence, but was threatening to do so. The war has shaken us up and shown us the realities of life, making the mistakes of the material side with which we have to do here plain and unmistakable.

To beat the national enemy, we had to re-equip our workshops, and the new equipment is now available, to a great extent, for future work. Moreover, we have been taught by a bitter lesson that up-to-date equipment is as necessary, if we are to maintain our position as an industrial and commercial nation, as it was to enable us to maintain our international position.

Friction between employers and workpeople led to restrictions on output, indifference led to utilizing old tools and methods: both meant decrease of productivity. The necessary increase can readily be obtained by remodelling our system in these respects. How this can be carried out so far as reorganization of the industrial forces of this country is concerned, will be developed later; and is dealt with in greater detail in the report presented by a committee of investigation, which has been working for this association.

ATTEMPTED FORECAST OF OUR INDUSTRIAL FUTURE.—I want

to attempt now to make a forecast of what may be expected in the commercial and industrial spheres now we have sheathed the sword. Germany overran some important manufacturing districts. Belgium, North-Western France, and Poland have not only been occupied by the enemy, but machinery and industrial equipment have, in many cases, been removed to Germany. Railway tracks were torn up, in order that their materials might be used for military purposes elsewhere. The busy industrial areas mentioned have undoubtedly suffered very considerably, and will require to reconstruct and re-equip towns and factories, and to reorganize their labour force. To set commerce and industry at work again on anything like the previous scale must be a work of some time. On the other hand, in spite of every effort, Germany found it impossible to interfere with the industries of the United Kingdom by either force or intrigue; nor did Entente Powers invade Germany. Indeed, for the purpose of this forecast it is wise to assume that German industrial equipment has not been affected detrimentally by the war. Thus England and Germany will for some time be the only two European nations prepared to take any considerable part in international trade.

Meantime, during the period of the war, two countries—the United States of America and Japan—enjoyed new and unlooked-for trading advantages. So far as competition from the United States is concerned, it is probable that we need not feel unnecessarily pessimistic. The South American States are at the beginning of a period of development which may well prove to be rapid. The possibilities opened up by the Panama Canal route, even though the present canal should prove a failure, will not be resigned before another attempt is made to pierce the isthmus; that a successful cutting will eventually be made is beyond question. American developments then may be expected to take place principally on the American Continent, in the Pacific, and in the Far East. In these regions, there is ample room for both British and American enterprise.

Nor will Japan, for some time to come, at any rate, compete with our staple manufactures. The development made by Japan during the war would seem to indicate that it is Germany and not Great Britain that will have to bear the brunt of Japanese competition. Small goods and fancy articles which came freely

into our markets from Germany and Austria before the war are now being made in Japan. Our merchants being unable to get supplies of these goods, sent samples to Japan with the most satisfactory results as to price, finish, and quality. Thus we were able to extend our business relations with our ally at the expense of our late enemy. Moreover, although there is no certain information on the subject, it is more than possible that when normal trading is resumed, it will be found that Japan has been extending her business in these and other classes of goods into other markets hitherto the preserve of the Central Powers.

Hence it is of special interest to attempt to forecast to what extent and with what prospects England and Germany will be in competition in international trade under peace conditions. This will depend, for the most part, on two sets of factors: (1) the internal industrial conditions of each country; and (2) commercial factors. So far as the former are concerned, there is much that this country should realize and take to heart.

The United Kingdom, in spite of the war and its heavy drain on our resources, has been enjoying an exceptional time of seeming prosperity. A large section of the workpeople have been earning high wages, whilst some employers have been earning handsome profits. High prices, high wages, high profits have been the order of the day: the return of peace must eventually very considerably modify the last two of these, and how will those affected face the change? To understand how the parties will answer this question, certain agreements must be remembered. Foremost among these is the State guarantee that certain Trade Union restrictions and Government regulations which have been in abeyance for the period of the war shall be re-imposed now that peace is restored. If we were reverting to pre-war conditions, there would be much to be said for this; but one hopes that both parties realize fully that conditions have radically changed, and that, in consequence, both employers and workpeople must be prepared to meet the new situation in a new spirit. Why were these agreements and regulations set aside? Because it was known that they hampered output, and our military success depended upon our producing the greatest possible amount of munitions of war. *Our commercial success will now equally depend on getting the utmost possible production out of our industrial equipment. Are*

we, then, going to restore these obstacles just at the most critical moment ?

With the return to more normal times, the national necessity for war stores and munitions has ceased, and our industrial forces have to rely on the home and foreign markets for employment. Foreign competition will almost certainly be greatly intensified. There may be, unless it is unnaturally checked, a great demand for manufactured goods of all kinds as a consequence of decreased supplies during the war. But all the principal trading nations will, as they get into their normal industrial stride, strain every nerve to get the greatest possible share of orders. If under such circumstances we indulge in an internal struggle between capital and labour, instead of bending our whole energies to retain and extend our hold on markets, we shall lose an opportunity which is not likely to return.

So far as the commercial factors are concerned, we have almost everything in our favour. We have not outraged the sentiments of humanity by employing inhuman methods in waging war. We have retained our position as the headquarters of the Money Market. We have ample shipping resources and equipment in spite of submarine piracy. Our merchants and exporters are keen and ready to carry on their business with even greater energy than before the war. We have arrears to make up, but have the will and, with harmony at home, the ability to carry on a more extended trade. Our capital has not been seriously affected ; our financial establishments and banks are prepared to do their share.

Turning to Germany, there is a most interesting condition of affairs to study. Beaten in the war, Germany will be a poor country for a long period ; the economic position may be deplorable, but hardly irreparable. Every section of the community has already felt to some degree the effects of the war. Now that peace has come, there will be a determined attempt to regain the old position. A disciplined people, acting under a Government compelled by circumstances to foster every possible means for repairing the broken machine of trade and for restoring the national wealth, will, without any doubt, be prepared to make heavy sacrifices to regain what has been lost. The Government will eventually try, by the offer of advantages in the shape of low railway rates and canal facilities, and, as far as possible, bounties on export business

and on shipping, to encourage and to extend foreign trade. Manufacturers and merchants will cut down profits, and workpeople will be carefully taught that only by increased productivity and by a period of low wages can that which has been lost be regained. And in spite of the revolution, this teaching may be successful. One foresees a remarkable attempt by a united and determined people to make good, in as short a period as possible, the waste and loss occasioned by the war and the blockade. German goods for export will be cheap, and the low price will be further emphasized by the depreciation of the mark. For so long as the mark is at a discount, there will be a *pro tanto* advantage to export trade; and, although the mark may eventually regain its par value, a few months or even weeks will have an appreciable influence on re-opening foreign business.

Thus a comparison of English and German opportunities in foreign trade shows that there are certain advantages on both sides. The German advantages are appreciable, but if England is seething with industrial friction, the advantages she possesses will be neutralized and her failure a certainty.

This leads us to consider whether a policy can be devised which will remove causes of friction and assure to our industries a new era of prosperity.

THE NEED FOR NATIONAL ORGANIZATION.—It is, at first sight, curious, but still very natural, that Press and public should from time to time be obsessed with one idea. As the war developed, there was a growing tendency to demand organization in every sphere of national life. The striking successes scored by Germany in the first instance were universally and probably rightly ascribed to thoroughness of organization and complete preparedness before provoking the conflict. As a consequence, a comparison was made between English and German military policy, greatly to the detriment of the former. And not content with this, further comparisons have since been made, with the result that if one believed all that was printed in the newspapers or accepted what passes in private conversation, we should be led to believe that rule of thumb has been the leading British characteristic. It has been forgotten that Germany has for many decades prided herself on her Army, even as England has relied on her Navy. One has been a great military power, the other equally great at sea. The

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test of war has proved that Germany was a very difficult country to oppose by land, but that in naval matters England is supreme. The economist, however, has to go further and investigate into those matters which are connected with his science—viz., the production, the distribution, and the consumption of wealth. Can it be said that the want of organization and other faults of our pre-war military system were typical of what was going on in the industrial and commercial sphere? I, for one, cannot bring myself to accept the truth of this. Had our economic interests been carried on under so-called War Office principles, we could not have built up the great position we occupy as world traders. What, then, are the facts? To answer this question, one should remember the leading facts connected with our industrial development. This brings out some points which the superficial observer inevitably misses. For upwards of a century our industries have been gradually developing, and the progress has, on the whole, been along new and healthy lines—each decade has seen some advance more or less great.

German attention to industry and commerce is much more recent. She was able to benefit by our experience, nor was she slow in doing so. To take a simple illustration. Suppose a case in which a manufacturing firm of fifty years' standing has developed a system, and has equipped factory and workshop as occasion demanded. A rival, seeing the possibility of competing successfully in the same business, organizes a new company, raises the necessary capital, and is able to commence operations with plant, machinery, and equipment of all kinds absolutely up to date, and even with some new improvements. Under these circumstances, provided that the management be good and that there be a demand for the goods produced, the new firm has, on the manufacturing side, considerable advantages. The older firm, however, is not devoid of advantages. It has a certain connection, a goodwill, and, with able management, these will enable it to compete with the newcomer; whilst the managers will have time to consider how to put the manufacturing side of their business on a par with that of the rival firm. The position in a simple instance like this is fairly easy to understand. In the case of a nation, with its many and varied interests, it takes a very much longer time for the situation to develop. The agitation for Tariff Reform and Colonial Preferences

is a proof that several years before the war broke out some Englishmen were awake to the fact that a new condition had come into existence ; and that if we were to preserve our advantageous position, we must take careful stock of newly-arisen factors in world-trade. For Germany was not the only, nor, perhaps, the most serious, of these factors. The United States of America from the time of the Civil War had bent her energies to the work of internal development. Having concentrated on this for nearly forty years, she began to expand a world policy, both political and commercial. Japan, too, emerged with unexpected suddenness into the arena. Thus, as the nineteenth century drew to a close, the economic interests of England required careful and earnest attention. The fiscal controversy, if it did nothing else, had the great and important effect of waking English traders out of the lotus-eating condition into which they were in danger of sinking. All our principal, and many of our less important, industries were carefully reviewed, with results that can be realized by a study of the annual statistics published by the Board of Trade. There was, however, a very subtle policy being pursued which required very minute knowledge and wide experience to grasp. It was our proud boast that we left trade free and untrammelled, that we believed in the health-giving effects of open competition. It needed the stern lesson of the war to make known how this generous policy could be utilized to our detriment by a rival commercial nation. The facts as to the exploiting of the mineral resources of the Empire, as to how the dye and colour industry and various by-product industries have been developed, so that certain vital trades almost passed under foreign control, came to light only just in time.

It became plain, as these facts leaked out, that we needed a better system of industrial and commercial intelligence. There was also a lack of unity of working among our principal industries incompatible with the growing interdependence which has been a marked feature of modern economic life.

Hitherto, apparently, it has been no one's business to survey comprehensively the resources whence our raw materials are drawn. Even those resources within the Empire had been nervelessly left to be exploited by the first comer, and the mask of an English name enabled foreign capital and energy to divert some of our

valuable minerals to foreign countries, whence we have been compelled to purchase them at unnaturally enhanced prices. Sufficient of the facts have been made public to warrant the demand for reconstruction and improved organization of those departments responsible for the national trade.

It would be most unwise as well as ungenerous to attempt to blame our Board of Trade. That department has, on the whole, worked hard and well for British interests. But it is both wise and necessary to criticize the policy that has over-weighted this one Government department. And, although there should be very careful consideration before either recommending or making a drastic change, attention ought to be given to the frequently expressed opinions of Chambers of Commerce and individual traders in favour of the creation of a Ministry of Commerce. The establishment of a Department of Overseas Trade, working as a link between the Foreign Office and the Board of Trade, may develop into a most useful adjunct to our trading interest.

It is hardly fair to charge our industrial interest with lack of organization. An examination of any one of our industries—shipbuilding, shipping, or the manufacture of goods for export—shows that each has been well, and in many cases exceptionally well, organized; but the organization requires to be completed by some machinery with responsible officials to co-ordinate the organization of the several interests. Even in this direction, something has been attempted. The Associated Chambers of Commerce gives, at any rate, the germ of an organization for attending to this great need. We may ask whether this could be still further elaborated so as to give the country what is wanted. Have our Chambers of Commerce sufficient standing to make their Association strong enough for the work, or should we look to the State to supply the keystone to the arch? The answer to this will depend on the views of the individual attempting to give it. Perhaps the time has come when a word of warning should be uttered. Are we not getting too prone to fall back upon the State? We were, and perhaps still are, the most self-dependent people in existence. Both the employer and the Trade Union has, in the past, been but little inclined to turn to the State. Can the completion of our industrial and commercial organization be adequately attained by the interests concerned, or must we look to another State

Department or Sub-Department to effect what is required? Our past history suggests that before turning to the State, we should try the initiative of the interests at stake. This brings us to a further section of the subject.

INDUSTRIAL ORGANIZATION.—The organization which has grown up with the development of our industries includes two very important but unequally-developed sets of organizations. The industrial army or labour force of this country includes all those who either organize industry or take any part, however important or however humble, in its working. From the captain of industry, or *entrepreneur*, as our brave Allies call him, down to the humblest wage-earner, we have a labour force which ought to be looked upon as one and indivisible. In connection with this force, we now have two sets of organizations whose interests some people consider to be antagonistic. I would here emphasize the fact that these two are really one force. Their main interests are identical, and they can best serve those interests by striving to minimize differences and by doing all that is possible to work together in harmony.

Though theoretically one, the labour force has perhaps naturally developed Trade Unions for manual labour and Employers' Associations for the organizers. British Trade Unions have a fairly long history behind them, and may be said to be in advance of any similar unions the world over. But the fact that, of recent years, there has been a tendency for small unofficial sections of given unions to kick over the traces and to disregard the policy and agreements of their leaders, shows that perfection of organization has by no means been attained.

Employers' Associations are of more recent formation, nor have they so far attained to anything like the same completeness. Both organizations, especially those of the employers, are in need of further development. It is hardly for the economist to show how this can be effected. He can point out imperfections and make suggestions; only those conversant with the practical working can formulate a practical policy. For instance, under the artificial conditions existing between the signing of the Armistice and the resumption of normal trading there are signs that some trades are using their exceptional advantages to increase prices to a greater extent than is warranted, a foolish policy calculated to

result in the eventual detriment of industries practising such a policy.

The most patent defects in Employers' Associations are due to the very virtues of their members. The individual British business man is unexcelled by the business man of any other country. In times of rapid transition and crisis, he has again and again shown his leadership. He knows his own business thoroughly, and as a working unit he has taken a very high place. But one of the most marked developments of modern trade is a growing interdependence of industries. Hand in hand with this, we have become familiar with another phenomenon—the amalgamation of businesses of various dimensions into one large company or corporation. It would appear that the scope for the small concern in either the commercial or manufacturing spheres is very limited. This is as marked among banks as among steel and iron companies. These two and somewhat parallel developments are making a new demand on the individual. He and his predecessors exemplified individualism : the new stage upon which we have entered demands a modification of the old policy. Business in common with everything else is subject to evolution, and evolution on healthy lines can only be obtained by grasping fundamental facts and by applying experience in accordance with economic laws. There need be nothing revolutionary about the required changes in our business organization. We merely have to note what has already occurred, mark healthy tendencies, and clear away or prevent obstructions to natural growth. Our past history amply justifies us in pursuing this policy without uncertainty as to the result. Our industrial history is one of the best examples of steady and, on the whole, well-ordered evolution. We have shown our ability to adjust ourselves to the needs of the moment. As a race, we are healthily conservative without being reactionary. That is to say, we know how to preserve what is good in the old and to amalgamate it with the new. In other words, our organization enjoys that useful quality of elasticity which enables us to keep abreast of the times.

Bearing this in mind, where are the defects of our business man, and to what does he need to give attention in order to come into line with the most recent requirements ? As I have just said, our business man's qualities emphasize his defects. For generations

he has worked as a unit, and individualism has become almost second nature. The call now is that the individual shall sink a part of his personality and become, so far as one side of his activities is concerned, a member of an Association.

We have had Employers' Alliances, Federations, and Associations. Some have failed, some have managed to keep afloat, others have had a certain amount of success. None has hitherto quite risen to what is required. To the onlooker, it would appear that when our employers meet as an Association, there is a lack of sympathy among the members, and, if this persist, it would be fatal. Each individual knows his own business ; he does not know, and perhaps it would be true to say that he does not care to know, his neighbours' concerns. At any rate, as a result, there is a want of cohesion, there is a lack of that co-operation which is required if the Association is to be really successful and accomplish the objects for which it has been formed. This working in co-operation, the large organizations of capital, and the working together in Associations, are comparatively new things to our business community. Time and experience will put things right ; at present we have not accustomed ourselves to a newly-developing condition of affairs. Our business men then need to focus their attention on these early ailments of the movement, so as to get them remedied as soon as possible.

A second group of defects arises indirectly, but almost inevitably, from that which has just been considered. Some Alliances, Rings, and Associations have failed and come to an end. And, in certain cases, the cause has been unmistakable, for there has been a lamentable want of loyalty, and even, in some cases, it must be said, of honesty to the agreements entered into by the Association. Only to mention one instance of this : The New Trades Combination Movement caused a considerable stir during the late nineties of last century, especially in the Midlands among the metal trades. Articles appeared in the journals, and a book¹ was written explaining the new movement. Great hopes were entertained that a new era had opened out before both Capital and Labour. But all ended in failure. There existed, for a time, a kind of syndicalism—a syndicated industry enabling employers to increase their profits, and the workpeople to earn abnormally high

¹ *The New Trades' Combination Movement*, by E. J. Smith. Rivingtons, 1899.

wages. So long as competition could be kept out of the market, things went swimmingly and a specious prosperity developed. But the consumer was being exploited, and the increased prices charged for such goods as metal bedsteads gave would-be competitors and unscrupulous members of the Alliance their opportunity. The cheap wooden bedstead made its appearance on the one hand, and, on the other, there were such things as secret discounts and commissions, with the result that this special alliance ended in failure. The history of that short-lived but industrially-instructive movement has yet to be written. Its cardinal facts should be known to those who now have an opportunity for shaping the industrial future of this country.

Three lessons stand out prominently from this experience : (1) We must learn to work together in association ; (2) all members of an Association must be absolutely loyal and honest to their engagements, either written or implied ; (3) such Associations must be subject to regulation, or the community will be exploited.

Nor is it impossible to suggest a method by means of which this may result. When Employers' Associations have justified themselves, it should be possible to obtain State recognition for them, and it would be practical politics, when both Employers' Associations and Trade Unions have developed to the point at which both merit State recognition, to enforce under penalty, agreements made between them on all those, either employers or workpeople, who wished to work at the industry within the area under the recognized Associations. Thus it would not be necessary to make membership compulsory—self-interest would be the extent of the pressure.

Turning to Trade Unions, we also find defects which require removing. The policy of union has been practised among the workers for upwards of a century, and for at least half-a-century with well-marked success in certain directions. In the first instance, it was the aristocracy of labour that realized the advantage of collective action ; but notably since the eighties of last century, efforts have been made to extend the policy to all grades of labour. Hence the ailments which have to be noted are rather more mature than those affecting Employers' Associations. Success in certain directions has perhaps led some of the more ardent spirits to expect more from their Unions than working conditions have

allowed. The experience of old and well-trying leaders has led them to adopt a more cautious policy than the young bloods are inclined to accept. Thus there has been a want of loyalty—different, it is true, from that met with among employers—but equally disastrous if persisted in, to the object in view. All the men in a given industry should be members of the Union, provided that the Union is well-organized and ably administered. This should, however, be the result of self-interest and a regard for the good of fellow-workers rather than of compulsion; and how that may be attained has just been suggested. Perfection of organization will come when workpeople not only realize the real possibilities of collective action, but are prepared to follow loyally leaders who have been constitutionally elected. The leaders are in a better position to know the facts of the case immediately under review; but if their leadership has been found faulty, there should be adequate machinery for replacing them with men commanding the confidence of the majority of the members.

When agreements have been entered into, the terms should be implicitly observed, even though they may turn out to be less advantageous than was expected. Periodical revisions would make it possible to rectify mistakes or misapprehensions. But it cannot be too strongly emphasized that for both sets of organizations the great factor making for smooth and satisfactory working is absolute loyalty to the pledged word. A large employer of labour, writing to me on this point, said: "In my opinion, no industrial harmony can exist between employer and employed until Trade Unions, through their representatives, can compel their members to adhere to and honourably carry out all agreements entered into with the employers. . . . In fact, until a more honest code of morals exists on both sides, no improvement can be looked for."

Further, there is the need for a more complete and authoritative central authority, both for individual industries and for federated trades. The machinery for this exists in skeleton: it merely requires development.

When the local and central machinery has been perfected, the right to *strike*—which, in common with the right to *lock out*, as a final resource, should be jealously maintained—would be carefully regulated, and would only be resorted to as the considered judgment of the most experienced men on either side. It should be

impossible for either an individual association or a section of it to order a strike or a lock-out on its own responsibility.

What I consider should form the main outline of industrial organization is explained in detail in the Chapter on "Industrial Unrest" (*q.v.*). At the head of this organization there would be a real Industrial Council, representing the industry of the country. The Industrial Council appointed in the year 1911 has never had a fair chance to show its possibilities. It was established at a critical time, and perhaps the Government did not feel justified to throw a great responsibility on an untried body. Nevertheless, it exemplified a very wise policy, and one regrets that it has not been allowed to prove its mettle, for, even now, both employers and workpeople feel that some such Council is preferable to State interference, and there is a clearly articulated distrust on both sides to official arbitration.

There is no need at the present juncture to attempt a new experiment. Our old system, whatever its failings, has been severely tested and proved to be sound. Its elasticity has been its salvation, and it is capable of still further evolution without entailing drastic changes. Indeed, the improved organization that is now suggested would contain practically nothing that is new or untried. It would consist of natural developments of what already exist. Employers and workpeople have organized themselves into Associations and Unions; some of these have developed Federations of similar or even of unconnected interests; and both parties have their national congresses, or, at any rate, the germ of them. The demand of the moment is that the organizations already in existence shall be perfected, and that these perfected organizations shall in all their agreements be loyally and honestly supported by their members. Success depends on absolute loyalty to the pledged word.

Here we have a practical policy suited to the needs of this critical stage in our history. The ideal organization has yet to be formulated; but what is here proposed would form a definite step in advance, and the very elasticity of the system would be a good augury for the future.

Among the innovations recently introduced into this country, and one calculated to have important effects on our industrial well-being, is automatic and semi-automatic machinery. We have been accustomed to the use of labour-saving machines; indeed,

this country was the birthplace of many of them. The re-equipment, however, of our factories for war purposes, in both tools and workpeople, has wrought a revolution comparable with that effected by the introduction of the steam engine.

From the point of view of craftsmanship, our old system had much in its favour. Our mechanics in certain trades had to be highly skilled, for the description of work turned out made considerable demands on the operative. In America and Germany, standardization has been carried very much further than in this country, and, consequently, repetition work has been much more generally practised than with us.

One may grieve over the passing of our old methods, as one is sometimes tempted to regret the days of cottage industries. But neither is compatible with modern conditions, and an important part of the work of reconstruction and reorganization will be connected with standardization and the further introduction of repetition work. This will call for the exercise of careful and experienced industrial statesmanship if trouble is to be avoided, for agreements will have to be framed which will, in the long run, work equitably and satisfactorily to all parties concerned.

A Committee of this Association investigated during the war period the extent to which women replaced men in industry. A certain amount of exaggeration exists as to the number of women who entered our factories or undertook services left vacant by men who joined the Forces. The total number was, in round figures, about 1,500,000.

The entry of large numbers of women into industry has been viewed with a certain amount of alarm by the men; and Trade Unions have naturally stipulated, where possible, that these women shall receive the same rates of pay for the same work as the men, and that as the men return the women shall give place to them.

That there is but little ground for alarm as to the influx of women can be realized by a consideration of a few facts and figures. The majority of men who enlisted were workpeople of one sort or another: of these, unhappily, some have been killed in battle or have been rendered incapable for work. Even so, the majority have returned requiring occupation. What opportunities do they find?

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What I consider should form the main outline of industrial organization is explained in detail in the Chapter on "Industrial Unrest" (*q.v.*). At the head of this organization there would be a real Industrial Council, representing the industry of the country. The Industrial Council appointed in the year 1911 has never had a fair chance to show its possibilities. It was established at a critical time, and perhaps the Government did not feel justified to throw a great responsibility on an untried body. Nevertheless, it exemplified a very wise policy, and one regrets that it has not been allowed to prove its mettle, for, even now, both employers and workpeople feel that some such Council is preferable to State interference, and there is a clearly articulated distrust on both sides to official arbitration.

There is no need at the present juncture to attempt a new experiment. Our old system, whatever its failings, has been severely tested and proved to be sound. Its elasticity has been its salvation, and it is capable of still further evolution without entailing drastic changes. Indeed, the improved organization that is now suggested would contain practically nothing that is new or untried. It would consist of natural developments of what already exist. Employers and workpeople have organized themselves into Associations and Unions; some of these have developed Federations of similar or even of unconnected interests; and both parties have their national congresses, or, at any rate, the germ of them. The demand of the moment is that the organizations already in existence shall be perfected, and that these perfected organizations shall in all their agreements be loyally and honestly supported by their members. Success depends on absolute loyalty to the pledged word.

Here we have a practical policy suited to the needs of this critical stage in our history. The ideal organization has yet to be formulated; but what is here proposed would form a definite step in advance, and the very elasticity of the system would be a good augury for the future.

Among the innovations recently introduced into this country, and one calculated to have important effects on our industrial well-being, is automatic and semi-automatic machinery. We have been accustomed to the use of labour-saving machines; indeed,

this country was the birthplace of many of them. The re-equipment, however, of our factories for war purposes, in both tools and workpeople, has wrought a revolution comparable with that effected by the introduction of the steam engine.

From the point of view of craftsmanship, our old system had much in its favour. Our mechanics in certain trades had to be highly skilled, for the description of work turned out made considerable demands on the operative. In America and Germany, standardization has been carried very much further than in this country, and, consequently, repetition work has been much more generally practised than with us.

One may grieve over the passing of our old methods, as one is sometimes tempted to regret the days of cottage industries. But neither is compatible with modern conditions, and an important part of the work of reconstruction and reorganization will be connected with standardization and the further introduction of repetition work. This will call for the exercise of careful and experienced industrial statesmanship if trouble is to be avoided, for agreements will have to be framed which will, in the long run, work equitably and satisfactorily to all parties concerned.

A Committee of this Association investigated during the war period the extent to which women replaced men in industry. A certain amount of exaggeration exists as to the number of women who entered our factories or undertook services left vacant by men who joined the Forces. The total number was, in round figures, about 1,500,000.

The entry of large numbers of women into industry has been viewed with a certain amount of alarm by the men ; and Trade Unions have naturally stipulated, where possible, that these women shall receive the same rates of pay for the same work as the men, and that as the men return the women shall give place to them.

That there is but little ground for alarm as to the influx of women can be realized by a consideration of a few facts and figures. The majority of men who enlisted were workpeople of one sort or another : of these, unhappily, some have been killed in battle or have been rendered incapable for work. Even so, the majority have returned requiring occupation. What opportunities do they find ?

To answer this question at all satisfactorily, it is necessary to

consider some determining factors. Thousands of men have left indoor occupations and their accustomed town life, and have been trained, drilled, and disciplined under open-air conditions. They have lived, worked, and fought in the open country, in some cases, for many months. This experience has had potent effects. Physique has improved, the outlook on life has changed; in many cases, new hopes for the future have been formed. The experience of what occurred after the South African War warrants us in assuming that considerable numbers will only return to indoor occupations and town life if there be no alternative. It is too soon even yet to form an opinion as to what opportunities there will be for land settlement, but it is known that offers will be made both at home and in various parts of the Empire. Moreover, there is good ground for anticipating that there may be a period of good trade. We have to restore our own sorely depleted stocks of goods, and our mercantile marine demands a large amount of new tonnage and repair of the old; railways and other transport services require much new equipment. Turning to the Continent, parts of France, Belgium, and other of the *Entente* countries need reconstruction works of considerable proportions, and in this work we shall play a great part. World markets, too, have been kept short of every description of manufactured goods. We are in a position to both finance and carry on a greatly extended system of industry and commerce, for not only is our banking system prepared to face this, but our man force has been greatly improved, and our industrial equipment to a great extent has been remodelled.

Reverting to the somewhat thorny question of the women who have been engaged on what were men's occupations, I see no cause for alarm. Many women came forward from motives of patriotism and have resumed their former state. The question is, rather, how can we obtain the labour necessary to cope with the post-war demand. The new equipment of our factories will place us in a position to increase very greatly our output; and this should enable us not only to face a possible labour shortage, but, if all the recommendations made by this Section of the British Association meet with a favourable response, our labour force should enter upon a new period of prosperity consequent on a re-modelling which has been rendered possible by a reorganization of our industrial machinery. The appearance of Whitley Councils

is an instalment of our recommendations, and to this extent we are on the right road. This new epoch for labour would include somewhat higher wages, shorter hours, and better working conditions. To effect these salutary advances, both employers and employed need to exercise sanity of judgment, frankness in mutual discussions, and a recognition of the fact that the prosperity and material well-being of each is bound up in a common effort to maintain and develop our industrial and commercial position.

PART I

**REPLACEMENT IN BRITISH
LABOUR, 1914-1921**

NOTE ON THE PRINCIPAL FIGURES USED IN PART I

THE figures shown in this report for employment in general, or for individual industries treated as a whole, are for the most part those gathered by a section of the Ministry of Labour (until recently in the Board of Trade), which has carried out a periodical inquiry into the state of employment in the United Kingdom at frequent intervals since the early autumn of 1914. The only important occupation for which figures from this source are not available is Domestic Service, which is, therefore, excluded from the tables and charts in this report, though very rough estimates are occasionally given in the text.

The official statistics relate to employed persons only; employers and persons working on their own account are not covered. In most occupations the numbers of women thus excluded are insignificant, but there have, doubtless, been some cases of the replacement of the owner of a small business (e.g. a retail shop) by his wife or other female relative, and this replacement, which, though not affecting very large numbers, is of considerable interest, and is necessarily excluded from this survey.

The classification is industrial, not occupational, that is to say each worker is grouped according to the business of the concern by which she is employed, and not according to the nature of the work on which she is individually engaged; clerks, for instance, or warehouse workers are not grouped together, but are covered by the figures for the several industrial and other trades which make use of their services. In some cases, this method of classification profoundly affects the content of the spheres of employment considered; for instance, "Commerce" is taken in the correct sense of the word as equivalent to wholesale and retail trade, and the figures therefore cover all women and girls employed by traders, whether as clerks, shop assistants, or in the delivery of the goods, but do not include any not so employed, even though they may be individually engaged on such work as book-keeping, which is frequently considered to be of a commercial type.

Similarly, transport covers all persons employed by railways, tramways, carriers, and all concerns whose main business is the transportation of goods or passengers (except the Post Office, which is grouped under Civil Service), but excludes persons delivering for industrial and commercial firms. In most other trades, a slightly higher figure is given by an industrial than an occupational grouping, owing mainly, in the case of women, to the inclusion in each of the clerks employed in addition to the women actually engaged on the processes of the industry.

THE EMPLOYMENT OF WOMEN DURING AND SINCE THE WAR

CHAPTER I

INTRODUCTORY SURVEY

It is impossible in 1920 to estimate the importance of the changes caused by the increased employment of women during the war. That is a task for future generations. For the moment little can be given beyond a record of the numbers employed, some details of success or failure, and some idea of new openings, often as evanescent as they were sensational. The need for the work done by women from 1914-1918 is clear; its bearing on their industrial future is not.

The slump in employment at the beginning of the war, caused by want of confidence in the markets and changes in the character of the demand, passed within a very few months, owing to the urgency of the war demand for many kinds of goods, the departure of men for service with the Colours, and the recovery of much of the normal business of the country. For a time there was some unemployment among women owing to depression in the luxury trades,¹ but before long large numbers were swept into munition industries, while some were beginning to replace men in other trades. This influx continued at an increasing rate until the beginning of 1917; then, a point having been reached at which the supply of those who were readily obtainable was largely exhausted, while

¹ It is, however, worthy of note that in Birmingham the manufacture of "patriotic" badges and brooches gave employment in the first two or three months of war to many people, especially young girls, who would otherwise have been out of work.

the demand for their services still grew, though at a decreasing rate, competition for women's labour became acute.

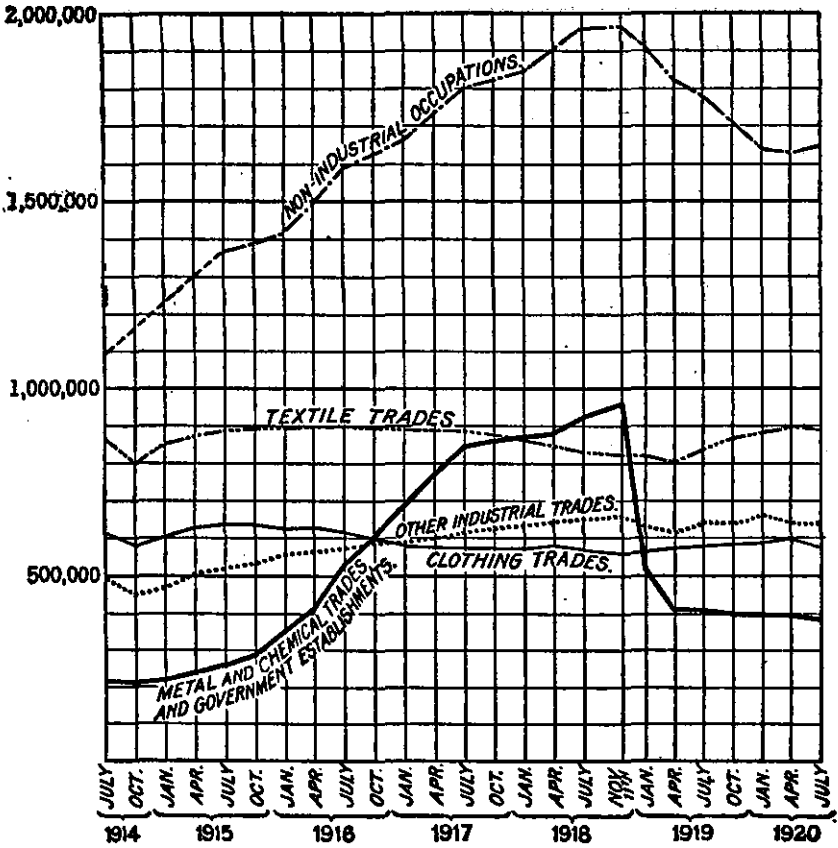
To the last two years of the war belong the rapid rise in women's wages, the great growth in their trade union membership, and the beginning of their real industrial training. The first two and a half years were characterized, as far as women were concerned, by the magnitude of the number gathered into new occupations and by the experiments made as to their fitness for new work ; the succeeding years were marked by an improvement in the industrial status of women as they solidified the positions they had already won.

The actual increase in the employment of women and girls which took place up to the end of the war, and the fall since, up to July, 1920, are shown in Table I, and in the circular diagrams at the beginning of this report. These show on a scale of 1 square millimetre to 400 workpeople the change both in the total numbers of females employed and in their distribution among different occupations. The stages by which the ultimate position was reached is shown both for the war period and for the twenty-one months between the signing of the Armistice and July, 1920, in the graphical chart.

From these it will be seen that once the number of women employed had reached its pre-war level it increased rapidly, and by the summer of 1915 it was 12 per cent. more than before the war. The swiftest expansion occurred during the next eighteen months, because of the insistent demands for men and munitions for the Forces. Then came a slower rate of growth, due not only to the limitations in the supply of women's labour, but also, in some instances, to the satisfying of the demand. In some occupations the lack of raw materials caused by the reduction of shipping for trade purposes was a more powerful check to production than shortage of labour. In others, the return of partially disabled men led to a diminution in the number of women employed ; this was the case, for instance, with some tramway and omnibus companies which replaced women by men. That the demand did not as a whole lessen is shown by the fact that while the number of women employed continued to increase, though at a diminished rate, the price offered for their services both in war industries and elsewhere rose to an unprecedented level.

As might be expected, the growth in women's employment was

CHART SHOWING THE NUMBER OF FEMALES EMPLOYED AT THE END OF EACH QUARTER FROM JULY, 1914, TO JULY, 1920, THE NUMBER BEING ANALYSED INTO FIVE MAIN FIELDS.



greatest in industries subject to a special war demand. In the chart, the line indicating the metal and chemical trades and Government Establishments shows, roughly, that part of the increase which was a result of the demand for munitions, while the rise shown in other lines was caused by the need for additional women to take the place of men. It will be seen that the textile and clothing trades, which even at the end of the war constituted together much the greatest field for the industrial employment of women showed, during the war, an actual fall in the number employed. This was caused partly by the tendency of women (especially in the clothing trades) to move to other industries with more attractive wages or conditions or a more obvious patriotic appeal, and partly, in the later stages of the war, by the shortage of textile raw material. In all industries, however, there was some alteration in the character of women's work. Much substitution was reported in industries in which the numbers employed were diminished. Changes in the total number of women employed in various industries by no means give the measure of the alteration in their position. It may be said that numerical changes were rather indicative of temporary movements, while changes in the nature of the work done by women, often unaccompanied by any increase in the actual number employed, were more likely to be permanent.

The numerical changes, if ephemeral, were striking. Summarizing them, we see that the number of women engaged in occupations other than domestic service grew from three and a quarter million in 1914 to nearly five million in November, 1918. Of these, it is very roughly estimated that about 400,000 were drawn from domestic service. There were, in addition, approximately 80,000¹ women serving in the Forces in November, 1918. Except in the case of V.A.D. nurses, no attempt is made in this report to include the voluntary work done by women during the war. But, in considering the magnitude of women's services, it is desirable to remember it at the outset. Besides war work, such services included work essential to the carrying on of the normal life of this country formerly performed by domestic servants, by the delivery staff of retail shops, by jobbing tradesmen, and others. A statement of the numbers of women engaged in paid work gives

¹ Women's Royal Naval Service, Queen Mary's Army Auxiliary Corps, Women's Royal Air Force, and Women's Forage Corps.

no adequate idea of the increased effective "woman-power" of the country.

Great as was the change in the number of women employed and in the manner of their employment during the war, it is easy to exaggerate the immediate results. In many instances, the character of industry was completely altered when numbers of women were employed, yet only for the moment. Such changes were due to the pressure of demand, which made it necessary to employ many unskilled workers, of whom a large proportion were women. Consequently, one firm after another adapted its work to the employment of the unskilled, and at one time it seemed as though a veritable revolution had taken place in the nature of certain industries. But when peace came it was recognized that such adaptation was characteristic more especially of war industries, which, owing to their vast demand for products of a standardized nature, readily lent themselves to repetition work. More permanent changes may spring from the adaptation of a comparatively small number of women to skilled or semi-skilled work formerly done by men for firms which did not otherwise change their methods to any considerable extent. The successful introduction of women to processes formerly done by men and the extension of their employment in work performed by men and women alternatively is likely to have more effect in the long run than the adaptation of work formerly done by no one to the powers of the unskilled worker. For this reason much of the investigation carried out has been made where a few women were employed on ordinary processes rather than where many were employed on extraordinary ones. The last belongs to the history of the war ; the first to the history of the future.

CHAPTER II

THE SCOPE AND SUCCESS OF REPLACEMENT

1. SCOPE OF REPLACEMENT

IN April, 1915, the number of women employed had returned to the pre-war level. But before this, the Chancellor of the Exchequer and the President of the Board of Trade had, in March, 1915, brought about the famous Treasury Agreement with 35 societies of workers. These societies represented the most various trades. Many were connected with the iron and steel industries, but cabinet makers and boot makers, textile workers and carpenters, painters and railwaymen were represented; while delegates from general unions, from the General Federation of Trade Unions, and from the Parliamentary Committee of the Trade Union Congress made the Agreement wholly catholic.

The agreement arose from recognition of the necessity for altering processes and absorbing unskilled labour, if, with the shortage of skilled men, especially of engineers, sufficient supplies of munitions and other commodities were to be forthcoming. Only one direct reference to women is contained in the Agreement: "The relaxation of existing demarcation restrictions or admission of semi-skilled or female labour shall not affect adversely the rates customarily paid for the job. In cases where men who ordinarily do the work are adversely affected thereby, the necessary adjustment shall be made so that they can maintain their previous earnings." Thus women are expressly mentioned only in connection with payment. But Clause 4 of the Agreement made it possible for women to be employed on many new processes. The latter part of Clause 4 ran as follows: "The workmen's representatives at the Conference are of opinion that during the war period the relaxation of the present trade practices is imperative, and each union is recommended to take into favourable consideration such changes in working conditions or trade customs as may be necessary with a view to accelerating the output of war munitions or equipment." The

agreement was signed by Mr. Lloyd George and Mr. Runciman on behalf of the Government; by Mr. Henderson and Mr. Mosses on behalf of the workmen's representatives.

From this time onward, agreements were made in one industry after another between the associations of employers and work-people, opening new processes and new trades to women. Before long they were to be found throughout engineering shops, and in such other new spheres as the cutting rooms of clothing factories and the finishing departments of boot and shoe firms. They appeared in new uniforms on the trams and at the railway stations. Everywhere their admission was granted only with elaborate safe-guards as to its temporary nature, and to payment, so that employers should not be too greatly tempted to retain women on work which had formerly been kept sacred to men.

It was necessary, however, to overcome prejudices other than those of the men with regard to the employment of women on new processes. Employers and women themselves often opposed such changes. To the end some employers were found who said that it was impossible for women to work on capstan lathes, in spite of the fact that they were employed on such work in the majority of firms throughout the country. On their side women, often as conservative as their employers, objected to leaving work to which they were accustomed and venturing on something which appeared to them to be not only new, but uncertain.

Considering the strength of the prejudices against women's employment, it is astonishing that it became so widespread. The more adventurous employers led the way in using women's labour in new directions, and the more adventurous women responded. Pressure was brought to bear by the Ministry of Munitions and other Government Departments. The Home Office and the Board of Trade issued a series of pamphlets indicating the processes in each industry on which it might be possible to employ women. Experiments were tried in national factories which were copied by private firms. And so the penetration of industry by women proceeded apace.

But while the prejudices against women's employment melted rapidly before the need of their services, the difficulties on which those prejudices are largely founded remained. In some cases

it appeared that nothing except prejudice had militated against women's employment before the war; in others it was found that there were some substantial objections. These had to be met. The success of women in their new work depended on the completeness with which they could be overcome.

Difficulties relating to women's labour, as compared with men's, arose from:—

(a) *Their Lack of Physical Strength.*—In all such work as lifting, carrying, loading, in the handling of heavy material and machines, in work requiring constant standing or long endurance, the physical weakness of women as compared with men has been and remains an obstruction to their employment. No doubt their lesser powers are partly due to the calls made upon them by the home as well as the factory, so that they have a double working life. But whatever the cause, it is a hindrance to their employment. Efforts of various kinds were made to overcome this difficulty.

In the first place, devices were used to lighten the labour. Work which had formerly been done by hand was taken over or assisted by machinery. Magnetic chucks would be used to hold the work in place; shells would be lifted to the right position by mechanical means. These devices often did away with the need for strength, and without increasing the total expenses of production, will make it possible permanently to employ women instead of men. Lighter machinery was introduced, as, for instance, in the pressing work in clothing factories, which enabled the work to be done as efficiently with women's labour as with men's.

In the second place, the work was often divided. The division was made either between several women or between women and men. For carrying and loading, smaller trucks and baskets were used, or two women would be employed to load and wheel a truck in the place of one man. It was reported that in heavy work, two, three, four, or, in the case of women feeding a forge in Glasgow, as many as six women were doing the work of one man. When men and women divided the work between them, the women would do the light and the men the heavy part of the work. Each form of division had disadvantages. Obviously, when more than one woman was employed in the place of a man, it was

expensive for the employer, unless he could secure her services at a low price. And when the light work was given to women, and the heavy work to men, there was considerable discontent among the men. They naturally objected to doing heavy work for the whole of their time instead of for part of it, and numerous cases were quoted in which, after a while, they refused to consent to this division of work.

Shorter hours and occasional breaks met the difficulty with regard to endurance to some extent. In normal times it may prove a complete solution of it. As men are pressing for shorter hours, any part of the difference between their work and women's, due to inability to work for long hours, may vanish. During the earlier part of the war, however, long hours seemed imperative to secure the necessary output, and though it was finally proved that excessive hours impaired output, most of the comparisons that we have between men and women's work belong to the time in which this had not been recognized, and in which a great strain was being put on the women.

Finally, the supply of good food in various canteens and clubs, and the inducing of women to eat it as their wages rose, did much to increase their strength and vigour.

(b) *Women's Lack of Training.*—Few opportunities for becoming skilled workers were open to women before the war. In many cases, entrance to trades was jealously guarded by the men's unions. And the fact that women usually leave work when they marry stood in the way of girls or their parents urging that any barriers to learning a skilled trade should be broken down. They, as well as the employers, looked on their work as an episode and not a career. The training, if it were long, seemed barely worth while. The chance of continuous employment being comparatively small, opportunities for a career were few. And so long as men looked on women as "natural blacklegs," they were likely to be relegated to unskilled work.

It was the lack of training among women rather than the lack of physical strength that led to the great changes in the character of certain industries, most of which would have been necessary even if all the substituted or additional workers had been unskilled men. Dilution was attempted and encouraged. The division of labour in this case consisted of sorting out all the unskilled and repetition

parts of the work and giving them to the unskilled workers, whether men or women, retaining the skilled labour only for those parts of the work in which skill was essential. This was readily effected when a great war demand changed the work and multiplied the output to an extent that made it economical to employ each worker on only a small fraction of the product. Mass production dispensed with skilled workers. Factories which before the war had been staffed mainly with skilled workers were employing 60 per cent. and an even larger percentage of unskilled workers before three years had elapsed.

There were, however, many cases in which little or no change in the scale of production occurred. The only solution, therefore, was to make the unskilled workers skilled, or at least semi-skilled. The worker was adapted to the work rather than the work to the worker. This was frequently done with astonishing speed. Yet it should be noted that the measure of skill acquired was often only partial. Women would be employed on one or more processes done in normal times by fully trained workmen, but their employment on such processes did not make them fully trained, since every time they began on a new process they had to learn afresh, while the completely skilled workman could turn from one process to another without loss of efficiency. It was evident, for instance, that women could not, in a few months, become skilled engineers, since the training of an engineer normally lasts for six years. But they were employed on highly skilled processes in engineering, and in many instances great pains were taken to give them facilities for acquiring the necessary accuracy, speed, and dexterity. In metal nickling in the electro-plating industries, the normal period of training is seven years, but it was found that women could become proficient in any one process in a few months. It was in doing work of this nature that women proved their capacity for becoming skilled workers, given time and opportunity.

The practice of different trades as to the classification of processes as skilled or otherwise differs greatly. In going through the reports of H.M. Inspectors of Factories on the substitution of women for men the difference is marked. It is seen that in industries with a low standard of skill, measured by the length of training required, complete substitution was common on processes classed as skilled; elsewhere it was rare. For instance, in the worsted

industry it was reported that women were replacing men completely in 14 skilled processes, and that substitution in 13 out of the 14 cases was general or frequent. But the length of time required for training was said to be "several weeks" or "several months." On the other hand, in the cotton industry no complete substitution was to be found, the reason given with regard to skilled processes being the length of time necessary for training. Roughly speaking, complete substitution during the war was almost unknown where more than a year's training was needed for proficiency, though, towards the end of the war, women were to be found as learners in trades which needed several years' training. For instance, in letter engraving in the flint glass industry, it was noticed that a firm was employing two girls as learners. The work needs accuracy, judgment, steadiness of hand and eye, and three years' training is at present required. Women did not have time to become skilled workers in industries in which skill can only be acquired with many years' experience. They did, however, have time to prove that they were capable of doing an infinite number of skilled processes, and therefore to prove their power of becoming skilled.

(c) *Difficulties of Organizing Women's Work.*—Many employers hesitated to engage women because they feared that in doing so they would involve themselves in trouble with regard to discipline, and also in expense in providing special facilities for women. They would complain that discipline could not be maintained where men and women worked together in the same shop, and that, whereas a man would throw his coat down anywhere, a woman needed a peg for hers. It was, in short, too much trouble to employ women.

As far as the maintenance of discipline went, there were differences of opinion as to the effect of introducing women. On the whole, the accusation that they "upset the shop" appears not to have been justified. Some employers declared that the women had vastly improved the tone of the works, and many said that their entrance had caused no difficulties. In any case, the question of discipline appears to depend so much more on the character of the management than on the sex of the workers that it is unprofitable to pursue investigation into the question very far.

Additional expense is another matter. It is true that the introduction of women into many industries involved the manufacturers in considerable expense in making the works fit for the reception of women. Where such expense was necessary it is probable that much of it should have been undertaken before for the men. It must also be remembered that firms were under considerable temptation to incur unnecessary expense, nominally for the sake of the women, to provide an outlet for the investments of great profits, so avoiding excess profits by putting up buildings which would serve for business purposes after the war, when the women were likely to leave, and securing immunity from the Excess Profits Duty on money so invested.

It may be true, however, that the necessary expenditure in a works is greater per head for its female than for its male employees. It is almost certainly greater in small works if both men and women are employed than it is if only one sex is at work. For this reason, many small firms hesitated to introduce women among the men.

2. SUCCESS OF REPLACEMENT

In the face of the difficulties mentioned, the scope of women's work being limited by their inability to do very heavy work, by their lack of training, by the employers' hesitation when apprehending difficulties of organization and increased expenditure, together with all the limitations to which it was subjected by prejudice, women achieved considerable success in their new work. The most grudging employers admitted that they could not have "carried on" without them. The most appreciative gave them unstinted praise.

As was natural, their success was most notable on work for which no long training or great strength was required. Given careful selection of the right woman, employers would boast that she could do work on which only skilled workmen had formerly been employed, with unsurpassed accuracy and skill. A firm in Leeds, for instance, employed a woman on a horizontal grinding machine, cutting knife edges of many different sizes, the knife edges being required for testing machines. The reputation of the firm largely depended on its knife edges. Accuracy to half a thousandth of an inch was required. The employer said that the woman did

her work as well as any man who had ever been engaged on it, and that other employers were incredulous when he told them that he was employing someone who was not a skilled engineer on such work.

Accuracy was frequently noted as a quality in which women excelled. Many employers remarked on the quickness with which women learned the use of the micrometer.

Swiftness in repetition work was another quality commented on. Again and again it was said that the output on particular machines was greater than that of men. This was attributed to various causes. Sometimes it was thought to be due to the fact that the men's unions deliberately restricted output. One employer told how a woman whose output had been 27 units in a given time on a particular lathe, found a note pinned to the lathe one day saying "the right output for this machine is 18." Sometimes the increased output was attributed to the fact that the women were so much excited at being given good money on piece work that they put almost excessive energy into their work. "Pay a woman by piece and she'll work like the devil," said one employer. Zeal of this kind was apt to be temporary. In many instances women went beyond their strength and broke down. In others, the excitement of earning good money wore off. Even patriotic fervour cooled down. Still it appeared that women would go on with a good output on repetition work longer than men. They did not appear to be so easily bored.

On the other hand, employers commented unfavourably on women's lack of ambition and initiative, and on their unwillingness to undertake responsibility. Several employers, however, said they had proved that women could develop all these qualities if they were given a chance of doing so. One manager said that it was evident from the extent to which they employed them in their homes that they were not without them; he had found that, given encouragement, they developed them in industry to a remarkable extent. Other managers, however, said that women did not care to show these qualities in industry because they expected to marry, and to leave industry when they married, and so only wished to do work which would bring them an immediate return without troubling about the future. The fact that women do not look forward to many years of industrial work probably accounts largely

for any lack of ambition and patience with monotonous work. Also the greater domestic interests and responsibilities, even of unmarried women, as compared with men (whose responsibilities are largely pecuniary), make them less inclined to acquire interest in their wage-earning work.

The value of substitution in particular industries, and the success of women in each, will be dealt with in the chapter relating to those industries.

CHAPTER III

THE METAL AND CHEMICAL TRADES AND GOVERNMENT ESTABLISHMENTS

THE call on women's services was more insistent, the response to it more striking, in the metal and chemical trades than in any other industrial group. These trades, producing munitions which were continually expended in the field, worked, during the war, under conditions of peculiar urgency. Ultimately the resources of the country in this respect were mobilized almost as completely as the fighting forces.

But the expansion was not immediate. Changes in these trades, as compared with others, were not remarkable until towards the end of the first year of the war. For the greater part of that year, in spite of the exceptional war demand, the total number of persons employed was actually smaller than in July, 1914; the men and women entering these trades did not make up for the men who had enlisted.

The demand for munitions represented a net increase in the requirements of the nation in a way which other demands, as, for instance, for uniform cloth and boots for men who would otherwise have required mufti, did not; but since the New Army required to be clad even before it was armed, and the Old Army was relatively small, this was not at first clearly reflected in the employment figure. As soon, however, as any considerable force of the New Army had actually taken the field, the urgent necessity for producing munitions at a rate sufficient to permit of their constant and adequate expenditure began to be reflected in the state of the industries concerned. By July, 1915, more, though as yet only about 16,000 more, males had been drawn into this group than had left it to join the forces, while, in addition, the females had increased by about 45,000.

After the creation of the Ministry of Munitions (the first Minister was appointed 9th June, 1915), development was swift, and in particular the number of women employed grew rapidly. On the

TABLE II
ANALYSIS OF PERSONS EMPLOYED IN METAL AND CHEMICAL TRADES AND GOVERNMENT ESTABLISHMENTS, ACCORDING TO THE PRINCIPAL OUTPUT OF THE WORKS IN WHICH THEY ARE EMPLOYED

TRADE.	No. of Males Employed.			No. of Females Employed.			Percentage of Females to Total No. of Workpeople Employed.			No. of Females estimated to be directly or indirectly replacing Males in November, 1918
	July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1919.	
Iron and Steel ¹	288,000	320,000	404,000	3,400	39,000	10,000	1	11	3	35,000
Hardware and Hollow ware	80,000	55,000	83,000	29,000	42,000	42,000	27	43	34	14,000
Engineering ² (except Marine and Electrical Engineering)	412,000	371,000	496,000	12,000	101,000	36,000	3	21	7	92,000
Electrical Engineering	80,000	89,000	114,000	16,000	56,000	39,000	17	39	26	30,000
Marine Engineering and Shipbuilding	289,000	435,000	433,000	2,300	31,000	6,800	1	7	2	28,000
Cycles, Motors, Aircraft, and other Vehicles	183,000	238,000	267,000	13,000	99,000	34,000	6	29	11	77,000
Cutlery and Edged Tools	31,000	25,000	29,000	6,200	9,000	8,800	17	26	23	3,000
Non-ferrous Metals	84,000	79,000	93,000	17,000	30,000	23,000	17	28	20	12,000
Precious Metals.	36,000	22,000	33,000	20,000	25,000	26,000	36	53	44	8,000
All other Metal Trades (under Private Ownership)	151,000	242,000	152,000	51,000	168,000	77,000	25	41	34	62,000
Chemical Trades (under Private Ownership)	159,000	161,000	195,000	40,000	103,000	70,000	20	39	27	50,000
Admiralty Dockyards	54,000	93,000	72,000	400	17,000	1,400	1	14	2	13,000
Ministry of Munitions Establishments	18,000	165,000	29,000	300	218,000	3,000	2	57	9	14,000
War Office Establishments.	4,100	19,000	12,000	1,500	14,000	1,900	27	42	16	5,000
TOTAL	1,869,000	2,314,000	2,412,000	212,000	947,000	379,000	10	29	14	443,000

¹ Blast Furnaces, Steel Manufacture, Iron and Steel Founding, Forging, and Rolling (including Tubes).

² Manufacture of Engines, Boilers, Machinery, Equipment, and Fittings (except those covered in other specified trades).

one hand, the actual capacity of the trades was increased by the erection of large new works or extensions to works and the installation of new plant, while, on the other, wide distribution of Government orders increased the activity of small firms formerly producing other goods but capable of being adapted to the production of munitions.

Most of the additional women drawn into the metal and chemical trades were employed on the production of munitions in works privately owned but under Government control after the passing of Section 1 of the Munitions of War Amendment Act on the 27th January, 1916. In September, 1916, there were more than 3,600 controlled establishments; most of the more important belonged to large firms which had been engaged in one or other of the metal or chemical trades before the war. During 1916, however, there was also a great increase in the number of manufacturing concerns which were actually the property of the nation. The Admiralty Dockyards, and the three Royal Factories at Woolwich, Waltham Abbey, and Enfield were, of course, national property before the war, but now many other national filling, ordnance, projectile, and explosive factories came into being; some of these were taken over from private hands, but many of the largest were new.

By far the greater part of the increase in the employment of women in this whole group took place between July, 1915, and July, 1917; between July, 1915, and July, 1916, the females employed increased by 272,000, of whom 66,000 were working in establishments which were then or later the property of the Government, and the rest in establishments privately owned, though for the most part under Government control; in the following year they increased by a further 309,000, of whom 134,000 entered Government establishments. In both years there was an increase in the number of males employed also, but the figures show an increasing tendency for new workshops and extensions to be staffed largely with women; 189,000 males came in during the first of the two years, and only 103,000 in the second.

In the fifteen months between July, 1917, and the signing of the Armistice on November 11th, 1918, there were signs that, in this group of trades, as in industry generally, the employment of

women was reaching its limit ; only 107,000 more females were drawn in as compared with 126,000 males. o

The great number of women drawn into the metal and chemical trades opened a wide field for investigation. But it made any comparison between their work and that of men peculiarly difficult. The speed at which unskilled workers were absorbed into work formerly done by skilled workers necessitated the alteration of processes. Much of the work was new ; consequently, it was from the first adjusted to the reception of women workers, especially when it was carried on in new premises fitted entirely with new machinery. In these new works and departments of works it was possible from the first to provide accommodation and working conditions suitable for women.

Before embarking on any detailed survey of women's work, the scope of the inquiry may be narrowed by the exclusion of two sections as being of relatively little interest. The first of these consists of the primary processes in iron and steel, smelting (blast furnaces), heavy ironfounding and forging, steel manufacture, and metal rolling. The rare cases of women being introduced into the actual manufacturing processes of these trades were confined to unskilled labouring work, and there is no likelihood of any permanent effects on trade practice. No adaptation of processes prevented the work from being too-heavy and unsuitable for women.

The other trades of minor importance as a field for substitution were those cutting out small metal goods or parts, mainly by means of hand or small power presses, which principally employed female labour before the war. The men employed in these industries are mainly either tool-setters or foremen, the same men sometimes fulfilling both functions, especially in small works. These trades are characteristic of the West Midlands, where, owing to the activity of munition works, female labour was scarce during the war, and this operated to check the replacement of these men by women, which would in any case have been difficult owing to the long training normally required for the work.

Other metal work may be roughly divided into two sections. Engineering proper (i.e. the manufacture of engines, boilers, and machinery), with ship-building and motor-building, employs a

high proportion of skilled workmen, and may practically be said to have employed no women before the war. With the increasing subdivision of process and installation of automatic machinery, many even of the engineering trades proper were approximating to the second type of metal trades to be mentioned below, but although, in consequence, there had in fact been for years before the war a progressive "dilution" of the highly skilled workers who had served a full apprenticeship, women were in general excluded altogether, except in some works making small engineering parts. On the other hand, in the manufacture of other metal goods, such as cycles, hardware, and lamps, and parts thereof, in which the great bulk of workers, apart from unskilled labourers, are semi-skilled and engaged on repetition work, women were employed in 1914 in numbers varying from trade to trade and from district to district, and even from firm to firm within the same trade and locality. Hence there was scope for extending the employment of women on the normal work, as well as for drawing them into the new war work undertaken by firms, in many cases, in addition to or even instead of their ordinary activities. The making of munitions covers a great range of processes, from highly skilled engineering work to cutting out small parts on a press. A very large part of the work is of a type which lay on the borderline between men's and women's work before the war. Variety of practice between firm and firm in this matter is especially characteristic of trades producing commodities of recent invention, or especially subject to change in the type of article in demand, as, for instance, the cycle trade. The making of shells, especially under the conditions existing in the big factories with new plant designed to economize human strength and skill, is even less bound by tradition than the manufacture of cycles; therefore the indistinct line dividing men's and women's work was shifted further and further to permit the employment of an increasing proportion of women. Such employment, together with the increase of work of the kind done by women before the war, such as much of that on the production of small arms ammunition, and filling and packing, accounts for by far the greater part of the increase in the employment of women in this whole group of trades, the performance by women of work entirely different in kind from any previously entrusted to their sex being relatively rare. Thus we have to recognize

that the majority of the 450,000 women engaged on munition work at the end of the war (taking munitions, in its narrowest sense as covering only ordnance, small arms, and ammunition in their final specialized stages) were doing work which, though new to them as individuals, was not of a kind that was new to women. The work was an addition to the ordinary work of the country and constituted an even greater claim on men's labour than on women's, 550,000 men¹ having come into this work by November, 1918.

But although it was not an unknown phenomenon to employ women on similar work, it was a new departure to populate metal and chemical works almost wholly with women. It was found that, early in 1917, 94 per cent. of the employees of a Glasgow shell-filling factory were women. Another national filling factory in Scotland, with 12,000 employees, had a percentage of women of 93·7. Before the war ended it was not uncommon to find factories in the metal and chemical trades with 95 per cent. of their employees women.

Further, in many firms and districts it was thought revolutionary to put women on to many of the processes on which they were engaged elsewhere. References were commonly made to the fact that it was customary in Birmingham, for instance, to employ women on various light processes in engineering, with the additional comment that it had never been done "in this district" before.

Every year that the inquiry was renewed, further extensions of women's work were noted. And these extensions were not solely of numbers but of work new to women in such and such a firm or district, and, more important, of an increase in the powers of women over the machines on which they worked. Supervision by skilled men became less necessary; and in some cases the women, having become competent in the particular processes which they were doing, learned to set their own tools.

In addition, a number of women were trained to do a variety

¹ A wider interpretation of "Munitions" to cover also trades which dealt with the material in its early unspecialized stages or made machinery or ships, and so turned over to war production without any considerable change in method or type of output makes it cover the work of a further million and a half men, but only about a quarter of a million more women.

of processes. In the report of 1916 a note was made of the employment of "Flying Squads" of women workers in shell factories in Glasgow; the members of these squads had been taught every operation on the shells made in the factories. They were able, therefore, to fill any gap created by the absence of a worker, and were, comparatively speaking, skilled. In 1917 it was found that this arrangement was not uncommon. Several notes were made of women kept as "spare hands," prepared to take over the management of any machine as need arose. In 1918 cases were noticed of women acting as general welders for different works. These had, at any rate, become skilled in a craft, and their work was most successful. They were able to deal with anything needing welding that was brought to them.

It is perhaps worth while to repeat here some of the accounts in earlier reports of the processes on which women were employed in engineering. The first is quoted from the report for 1916 of work done in Glasgow—

(a) WORK DONE BY WOMEN ON SHELLS—

On Shell Body.

1. Cutting off open end.
2. Centring.
3. Rough turning.
4. Transfer marks body to base.
5. Rough face base leaving centre.
6. Rough bore.
7. Finish bore.
8. Bore recess and finish face for nose.
9. Bore and tap for fixing screw.
10. Mill thread.

After Nose Fixed.

11. Finish, turn, and form outside of complete shell.
12. Weigh and mark excess weight.
13. Cut base for weight.
14. Groove and wave.
15. Recess for base-plate.
16. Rivet base-plate and skim base.
17. Turn copper band.

On Nose Preparatory to Fixing.

- | | |
|----------------|-----------------------------------|
| 1. Cut off. | 4. Finish, taper, bore, and face. |
| 2. Rough bore. | 5. Turn and recess for screwing. |
| 3. Rough cup. | 6. Rough form nose. |

Examining in addition, and washing, polishing, and lacquering.

Fuses.

Capstan turning, boring, drilling, milling, and screwing; tapping brasswork, marking, stamping, soldering, tinning, washing, and assembling.

Shell-filling.

Filling cartridges with cordite and N.C.T., accessory processes, assembling H.E. shells, and packing and labouring inside and outside danger zone.

(b) WORK DONE BY WOMEN IN ENGINEERING SHOPS—*Aeroplanes and Balloon Work.*

Screwing, milling, and boring nuts and bolts. Screwing tie-rods. Drilling and turning buckles and fork joints. Punching aeroplane parts. Vertical boring. Turning (turret and centre lathes). Filing. Stretching, and sewing canvas. Painting, solutioning, and varnishing. Balloon making.

General and Electrical Engineering Shops.

Boring, drilling, slotting, planing, tapping, shaping, and milling machines. Automatic, turret, centre, and chuck lathes. Buffing and grinding and gear-cutting machines. Hack-saw. Hand-filing. Scraping and bedding slides. Working at bench and surface table. Brass turning and finishing. Driving and following cranes. Core-making. Iron and brass dressing. Hammermen's helpers. Boiler-makers' helpers. Rivet heating. Armature winding. Tinning and commutator fitting. Boiler firing and light labouring. "Slap-up" painting and plate-edge machines.

Motor-car Works.

Light turning, and turning and screwing on semi- and fully-automatic lathes. Labouring.

Shipyards.

Attending plate-rolling and joggling machines. Back-handing angle-irons. Flanging. Fitting, upholstering, and polishing. Drillers' and caulkers' assistants. Plumbers' assistants. Platers' helpers. Rivet heaters. Holders-on. Crane driving. Catch girls. Firing plate furnace. General labouring (gathering scrap and cleaning up vessels in construction).

Tube Works.

Cutting, screwing and stamping small tubes; oiling and stacking tubes. Stove work. Testing tubes. Staving tubes.

Scientific Instrument Makers.

Machining, filing, scale-engraving, polishing lenses, assembling, mounting, cleaning, inspecting, testing, adjusting, and stove work.

The second is an account of a firm in the North, given in 1917—

FIRM X.

Engaged on making the fore-part of shells. This work is new since the beginning of the war, the firm having been previously engaged in the manufacture of textile motor engines. The firm has increased in size during the war, and the proportion of women employed grows steadily.

	Men.	Women.	Percentage of Women.
January, 1916	220	57	20.6
January, 1917	150	354	70.2
April, 1917	115	385	77

Throughout the works the amount of direct replacement has been small, most of the processes having been re-adjusted. On the automatic machines the women have replaced boys, and the management considers that the result has been a gain in quietness and discipline. On the drilling machines also they replace boys; the work is rather sensitive, and reckoned as semi-skilled. In the stores the replacement is direct, but one man with a knowledge of engineering is retained in the stores department.

The most interesting points about the women in these works is their employment as charge hands, as spare hands, and as tool-setters. When girls are employed as charge hands, they fall back on a skilled man in any real crisis, but they seem able to do a good deal themselves.

In one case a skilled man had been in charge of six drilling machines which frequently went wrong. He went away, and a boy was put on to grind the drills and act as charge hand; the machines continued to go wrong, and the boy spent a good deal of time "larking." Finally, a girl of 15 was put on to the work, the machines went much better, her delicate finger-tips made her particularly good at grinding the fine drills; she was, of course, obliged to call in a skilled man if anything went seriously wrong with the machines.

The women who are learning tool-setting have been carefully selected; they were first made spare hands, passing from one machine to another as other workers stayed away; they have thus become semi-skilled, and it is hoped that they will soon be really skilled. The management prefers to get women who have never been on a machine before and train them from the beginning.

In some cases, the women have beaten the record completely. One employed on a four-spindle automatic machine has exceeded all previous records of output, and has been earning a bonus of 50s. a week on piece-work in addition to her minimum weekly wage. Others were earning a bonus of £2 2s.

Gaines, fuse bodies, and caps are made, and the women are employed as follows—

	Number Employed.			
	Gaines.	Fuse Bodies.	Fuse Caps.	Total.
<i>Automatic Machines</i>	10	6	6	22
<i>Capstan Lathes—</i>				
Boring	24	12		
Taper Hole	14	8		
Cap-recessing	6			
Cap-facing	12			
Machine-sizing	10			
Hand-tapping	14			
	80	20		100
Drilling	5	18	5	
		(minor vertical operation)	and Tapping	
Reamering (vertical machines)	4	12	10	
		Thread milling	Adapting	
Hand-sizing	11	3		
		Hand-tapping		
	20	33	15	68
Washing and Drying	9			
Plating	4			
Stores	2	3	2	
Assembling	4	2	3	
		Stores	Distributing	
		Stamping, viewing		
Packing	3	1		
		Packing		
	22	6	5	33
Oil Extractors on Steel and Brass Cuttings	—	—	—	4
Cleaners	—	—	—	9
Spare Hands (2 on gains, 2 on fuse bodies)	—	—	—	4
Setting-up	—	—	—	3
Sizing	—	—	—	12
Gauging	—	—	—	130
GRAND TOTAL	—	—	—	385

These lists of processes and the account given in the second case of the way in which women acquitted themselves are characteristic. In comparatively small works devoted to general engineering, where the scale of production did not admit of repetition work, women were admitted more charily. But when admitted they

were often highly successful in shaping various articles of different sizes on one machine. Often the managers of general engineering works refused to employ women because there was "no repetition work" in their shop; some enterprising employers, however, took on a few women among many men and gradually taught them to turn out from the machine they managed every variety of goods that it could produce. For instance, in the report of 1917-19 an account was given of a firm of engineering tool-makers in Leeds, employing 11 women among 300 men. No repetition work was done in the firm. The women had been carefully selected and carefully taught, some were doing highly skilled work and the employer was more than satisfied with their achievement.

Thus, in repetition work, women learned to set and grind their own tools and put the machine to rights; in non-repetition work they acquired skill in using machines for every purpose to which they could be put. The advances made by women in both respects were not easy to measure. But they were continuous.

An attempt was made during the last two years of the war to discover the extent to which women had been placed in responsible positions in engineering. The results, as far as substitution went, were negligible. But when additional labour was employed because of an increased war demand it was found that many women had been placed in charge of female labour. The results were sometimes very successful, but it was repeatedly stated that it was difficult to find women able and willing to undertake responsibility. Everything depended on the type of woman selected. It was noticeable that works in populous districts with a wide range of applicants to select from had little difficulty in getting suitable forewomen and charge hands; while those situated in comparatively isolated districts could not get satisfactory women as long as they confined their choice to people actually in the locality. Forewomen promoted from within the works often failed, while those selected from outside succeeded.

The general remarks made by employers on the success of women in the metal and chemical trades did not differ greatly from those made in other industries. A few may be selected as having some special relation to the trades under consideration.

Thanks to the nature of the demand, there were endless opportunities for saying how excellent women were when engaged on

repetition work. Where the work was light and repetitive in character, the women's output was often said to be greater, sometimes much greater, than that of men. Unfortunately, the excellence of women on repetition work seemed often to be accompanied by a dislike for non-repetition work. This was perhaps natural when the work was paid by the piece, as the women earned less when put on to a new machine. But many seemed to resent changes even if they did not lose by them. This was a serious drawback when great numbers of women had been taken on ; it made it extremely difficult to adjust the supply to any change in demand. Employers would complain that, great as was their gain while the work was monotonous in having steadier and more conscientious workers, their loss was greater when it became necessary to turn the women on to new work.

Some processes in engineering called for qualities frequently possessed by women in a higher degree than by men. Mr. J. F. Driver, of the Technical College, Loughborough, commenting on an address given by Lady Parsons in July, 1919, said that : " The experience of the last four years suggested the following classes of work as eminently suitable for women : foundry core-making ; acetylene welding ; light woodwork, such as aircraft manufacture ; precision grinding and lapping ; the manufacture of gauges of all kinds. The list might be extended in many directions so as to include French polishing on the one hand and centre lathe turning on the other ; but, taking the processes as they stood, it would be observed that in each the essentials to success were delicacy of touch, manipulative skill, and patience. These faculties women possessed to an extraordinary degree, and with little training they were able to put them to good use."

As regards skill, no woman had an opportunity of becoming what is technically known as a skilled engineer, since the period of the war was not so long as the period of training necessary. But in engineering, above all other occupations, women proved their capacity for doing skilled work.

It was commonly said that women kept their machines clean. They seemed to become attached to and take a pride in them.

On heavy work, women's output was considerably less than that of men in engineering as in other work.

When the future of women in the metal and chemical trades

and in Government establishments is considered, a few considerations peculiar to them should be borne in mind. First, the extension of women's employment was mainly due to a definite war demand. It will be seen from Table II that the number of men, as well as of women, in these trades increased. Women were largely engaged in addition to and not in place of men. When the war ceased, the employment of women, to a great extent, and of men, to a lesser extent, diminished. The speed with which women had appeared in these industries was surpassed by the speed with which they vanished from them. Many factories engaged in the manufacture of munitions had been adapted from the manufacture of other things, such as printing machines, agricultural implements, motor cars, and of these a large number returned to their original work when the Armistice was declared; for such work the women had received no training and were quite unprepared. They were therefore dismissed with no prospect of returning to work in those particular firms. This happened also in the great national factories.

The second point to be noted in the metal trades is the strength of the men's organizations and their exclusiveness. The men were concerned to keep engineering as a skilled trade. Women might, therefore, do skilled processes as a war expedient only. Such processes were, in normal times, the monopoly of the skilled engineer. The Restoration of Pre-War Practices Act, providing for the restoration of trade practices, has therefore been used very widely and rigidly. This has especially affected women who were working at skilled processes in firms which were carrying on their pre-war production, but it has also affected the employment of women on processes on which it had been customary for them to work before the war in some firms and districts, though not in others. The extension of their employment in these directions has been checked. The following report on engineering comes from Newcastle: "There is practically no employment of women except in one or two firms on processes on which they were employed before the war. In one case a certain number of women, who before the war had been employed on core-making, have been discharged."

It must not be supposed from this that the expansion of women's employment in the metal and chemical trades has come to an end in every instance. A firm in Leeds, for instance, engaged in light

engineering reports that : " No women were employed in this shop before the war, now about 170 are working. Women, however, had been employed on similar work by other firms, so that it cannot be said that women are doing men's work, except perhaps in the case of the ' welders,' who are doing this semi-skilled work because men welders are scarce, and the output of the firm has increased. The rest of the women are working at presses, lathes, preparing and soldering oil-cans, lamps, etc, and they are considered in every way satisfactory." In this case it will be noticed that the work is greater than in pre-war days. During the war more than 300 women were employed.

One other peculiarity relating to women's employment in these trades should be noticed, namely, the very large proportion of married women employed. As the war went on, this proportion increased. It was far greater among the women newly engaged than among those employed before or taken on at the beginning of the war. According to the census of 1911, only 15 per cent. of the occupied women were married. It was something of a revolution, therefore, to find in many munition works a general proportion of from 40-60 per cent. married ; 60, 70, and even 90 per cent. being not unknown. With the war demand for munitions, the almost untapped source of married women's labour was naturally called upon ; with the absence of many married men at the front their wives were ready to respond.

This meant that, to a great extent, the supply was in its nature as temporary as the demand. The work of married women was asked for and given as a war expedient. And when the war ended many of these women were glad to go back to their homes. The swiftness of women's disappearance from munition work has been accompanied by less commotion than might have been expected. No doubt this is due not only to the various arrangements made by the Government for the unemployed, but also by the desire of many to leave their paid work. This is true also of women who undertook munition work from patriotic motives.

That so many of the women engaged in metal and chemical work were married makes it especially difficult to draw conclusions which would apply generally to women in industry. Time-keeping in particular was affected. Unavoidable absence due to domestic crises is likely to occur when a large proportion of women are

married. And it was found in effect in several firms that, though unpunctuality and avoidable absence was less, unavoidable absence, sometimes for rather long periods, was greater among the women than the men.

The main points may be summarized as follows—

1. *Nature of Work.*—Much of it had been before the war the monopoly of skilled workers. Much of it was heavy.

2. *Intensity of Demand.*—The war need for the products was greater than for those of other trades.

3. *Adaptation of Work.*—The intensity of the demand necessitated the introduction of women, and made it possible by large scale production to adjust the work to workers who were less skilled and less physically strong than those normally employed.

4. *Cessation of Work.*—The demand was largely a war demand, and collapsed when peace came. Women who entered these trades knew that the demand was temporary, and many of them did not desire permanent employment.

The war history of the metal and chemical trades is one of swift adjustment for which credit belongs both to those who organized the industries and to those who entered them. The speed with which factories were converted from one use to another, and from small to great production, was emulated by the speed with which women accustomed themselves to new work and became proficient in skilled processes.

CHAPTER IV

THE TEXTILE TRADES

IN dealing with the textile trades we are concerned with industries which were, before the war, mainly staffed by women. With the exception of the textile dyeing and bleaching trade, in which only 20 per cent. of the workers were women, men were in the minority everywhere; the only cases in which the number of men approach that of the women being the woollen and worsted industry, in which there were 134,000 men and 170,000 women, and the lace industry, in which there were 18,000 men and 20,000 women in July, 1914.

The proportion of women to men increased considerably during the war in these trades, although some employers declared that the employment of women had already been pressed so far that it was impossible to carry it further. It is remarkable that, according to the reports of H.M. Inspectors of Factories,¹ there were no cases of complete substitution in the cotton industry. The proportion of women in the industry increased from 60 to 71 per cent. of the total employees during the war, but this was due either to their further employment on processes already commonly carried on by them, or to their partial replacement of men on processes formerly reserved to men, as in mule-spinning.

It may be well to make a short comparison between the position of women in the cotton and in other textile trades before the war. In the cotton industry, women had long been engaged on work similar to that of men and had received equal rates on piece work. Further, they had been well organized in unions which admitted men and women on equal terms. As a result, their position was thought peculiarly enviable by women in other trades. Two points may be noticed as perhaps partially accounting for their exceptional position in the cotton industry.

1. In one important process, that of cotton weaving, women are superior to men. Deftness is peculiarly valuable, and women possess it in a higher degree than men. Consequently, equal pay for piece

¹ Reports of H.M. Inspectors of Factories showing the position in certain industries at the end of 1918.

TABLE III
EMPLOYMENT IN THE TEXTILE TRADES

TRADE.	No. of Males employed in			No. of Females employed in			Percentage of Females to Total No. of workpeople employed.			No. of Females estimated to be directly or indirectly replacing men in November, 1918.
	July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.	
Cotton Trades	274,000	144,000	219,000	415,000	349,000	396,000	60	71	64	52,000
Woolen and Worsted	134,000	105,000	135,000	170,000	175,000	188,000	56	62	58	18,000
Jute, Linen, and Hemp	46,000	33,000	38,000	108,000	105,000	101,000	70	78	73	8,300
Rope and Twines	10,000	7,600	9,000	15,000	15,000	18,000	60	67	67	1,600
Elastic Webbing, Fibre, Horse-hair, Miscellaneous Textiles	17,000	14,000	18,000	28,000	36,000	33,000	62	71	65	4,800
Hosiery	20,000	15,000	22,000	60,000	68,000	74,000	75	82	77	5,500
Textile Dyeing and Bleaching	95,000	72,000	93,000	24,000	31,000	30,000	20	30	24	10,000
Silk	11,000	8,000	12,000	22,000	22,000	24,000	67	73	67	2,000
Lace	18,000	9,400	14,000	21,000	17,000	20,000	54	65	59	3,000
TOTAL TEXTILE TRADES	625,000	408,000	560,000	863,000	818,000	884,000	58	67	61	105,000

work being established, women often take home more money than their husbands and fathers. Certain districts are devoted mainly to cotton weaving, and men put up with weekly earnings less than those of their women folk because there is not enough work of other kinds to be had. The result is that in a large section of the industry women feel themselves to be at any rate the equals of men.

2. The second noteworthy fact is that women do not leave the industry when they marry to the same extent as they do elsewhere. This may be largely due to the importance of their earnings to the family, when their wages are actually higher than those of men. But whatever the cause, their continuity of employment perpetuates their status. Nowhere in the whole of England is the proportion of married women engaged in industry higher than in the cotton weaving centres of Lancashire. According to the census of 1911, in Burnley 414 and in Blackburn 445 out of every 1,000 married women were doing paid work as compared with 103 out of every 1,000 for the country as a whole, and 195 and 132 respectively in the two woollen centres of Bradford and Huddersfield. The industrial career of women in the cotton trade is more than an episode, and as a result they take a more vigorous interest in their work and in trade union organization than is usual in other trades.

The drain on male labour caused by the war had, very roughly, the effect of bringing the position of women in all the textile trades more nearly on a level with their position in the cotton trade. Women were put on to men's processes with the same rates of pay throughout these industries, and an impetus was given to their trade union organization. Substitution was complete and frequent in many comparatively skilled processes in the woollen and worsted trades, and women completely replaced men in several skilled, semi-skilled, and unskilled processes in the hosiery and lace and other textile industries. But as agreements limiting substitution to the period of the war preceded it in almost all textile industries, most of the alteration was ephemeral.

In the following paragraphs substitution in the cotton and woollen and worsted industries is considered in more detail. In the case of cotton no local investigation was made into the replacement of men by women, but a brief sketch is given of its progress.

The Cotton Trade

The cotton trade is most conveniently considered in three sections: (a) Processes preceding spinning (card and blowing rooms); (b) spinning processes; and (c) weaving processes. As a rule, the preliminary processes and spinning are carried on by the same firms, but the departments are distinct and the operatives belong to different unions.

According to the census of 1911, females constituted 79 per cent. of the workpeople employed on card and blowing room processes; 40 per cent. of those on spinning processes; and 70 per cent. of those on weaving processes. Women engaged on winding and warping are given separately and constituted more than 74 per cent. of the persons so employed.

In spite of the high proportion of female labour in card and blowing room processes, there was room for a certain amount of substitution. The Amalgamated Association of Card and Blowing Room Operatives was represented at a general conference of representatives of Employers' and Operatives' Associations¹ in the Lancashire cotton trade, held at Manchester on the 9th July, 1915, which was followed by two further conferences, the first on 27th July, in which this Association, among others, took part, the second on the 7th August between this Association alone and the Federation of Master Cotton Spinners' Associations.

The agreements signed after these conferences did not enter into details, but the operatives' representatives stated that they were "willing to consider the temporary relaxation or suspension of their trade union rules, if such relaxation or suspension is shown to be necessary, provided always that such relaxation or suspension is only to be for the period of the war."

A further agreement was signed by representatives of this Association and the Federation of Master Cotton Spinners' Associations on 6th February, 1917, in which a list of processes² was given on which

¹ The only important society not represented was the Amalgamated Association of Operative Spinners.

² This runs as follows—

"*Cotton Room*.—To feed bale breaker and waste breaking machines. To feed hoppers from mixings, pick tares, clear away waste, sweep up. Brush down and clean and oil machines when same are stopped.

"*Blowing Room*.—Break off laps from openers and scutchers having knocking-off motions on, provided the laps do not exceed 45 lbs. in weight, excluding lap rods. Sweep up and, when machines are stopped, brush down, clean, oil, and take out droppings.

substitution of men by women or youths was considered possible, with the statement—

"It is admitted that prior to the war youths and females were not generally employed in the foregoing occupations, except cotton room work and card tenting, and where trade union rules have been relaxed to meet the present situation, it is hereby agreed that pre-war conditions shall be re-established at the conclusion of the war."

In spinning, the proportion of women employed was relatively small. There was some debatable ground; women were frequently employed on ring spinning and to a small extent (mainly where fine counts were spun, as in Manchester and Bolton) as "piecers" or assistants to the mule spinners. They were almost universally excluded from becoming "minders" or mule spinners proper. Substitution during the war was carried out to some small extent by an extension of ring spinning, but mainly by the employment of women as "big" and "little" piecers. Four local agreements between employers and operatives, laying down conditions for the employment of women as piecers in the mule spinning room, were signed in Ashton-under-Lyne, Oldham, Bury, and Rochdale respectively, the first two mentioned in November, 1915; the third in January, 1916; and the last in December, 1916. Each of these contains the sentence: "No females shall be employed as minders, or joiner-minders, at any time."

In weaving there is little distinction between men's and women's work, and the proportion of women was increasing before the war. The only serious check to further increase during the war was the shortage of women and the slackness of trade. No especial agreement to promote substitution was necessary, though master manufacturers and operative weavers were represented at the early conferences leading to the general agreements for the cotton trade as a whole, already mentioned.

Throughout the whole industry substitution was greatly checked

Card Room.—Fetch laps from blowing room on lap trams and put on cards when such laps do not exceed 45 lbs. in weight, excluding lap rod. Take away waste, scour frame, sweep up, and assist in cleaning cards when same are stopped. Youths to take out and clear away fly.

Youths.—Youths up to 16 years of age may be employed as can-tenters. Over 16 years of age they may be employed on any of the jobs stated above. They shall not, however, become strippers and grinders, or full blowing-room men until the age of 20 years."

by the poor state of trade at the beginning of the war, the shortage of women, especially experienced women, as well as men, in 1915 and 1916, and the very serious shortage of raw material in 1917 and 1918, resulting in high prices and poor trade. When the war broke out, the cotton trade was coming to the end of a period of exceptional prosperity, and the depression which followed was increased by the cutting off of many foreign markets. Trade recovered to some extent early in 1915, but during the years that followed the trade still felt the loss of workpeople which had taken place during these first few months, for though some returned to the industry, many did not. However, if it had been possible to obtain unlimited numbers of women, it would probably have only increased the numbers necessarily discharged during the final period of the war, owing to the shortage of raw material. Even before the end of 1916, the number of women employed, which had risen considerably since December, 1914, though only to just above the pre-war level, began to fall, and by the time the Armistice was signed there were 16 per cent. fewer females, as well as nearly 48 per cent. fewer males, in the trade than before the war.

The signing of the Armistice was followed by a further period of exceedingly bad trade, and as men began to return from the Forces there was even some slight further decrease in the number of women employed. This was, however, purely temporary, and as trade improved in the summer and autumn of 1919, many women returned to the industry, and the numbers employed began slowly to approach the normal.

The Woollen and Worsted Trades

The great war demand for khaki created a boom in the woollen and worsted trades at the end of 1914. For a time these industries were among the most active of all trades. By the second year of the war the first urgent orders had been worked off, but the trade was still very prosperous, producing for the Allies as well as for the Home Government. The chief obstacle to a rapid extension of the employment of women was the difficulty of obtaining additional workers in districts in which a high percentage of the female population was employed before the war. Some women were brought in from outside, but as it is customary to expect some experience in

the adult workers in these trades, the need for training new workers retarded their employment.

In the later years of the war, shortage of wool became a serious difficulty. There was, however, no such sensational fall in the numbers of women employed as occurred in the cotton trade, partly because some of the material is produced at home (exports of raw wool, whether home-grown or imported, practically ceased during the war), while woollen rags can return to the mills to be used as material, either for shoddy or mixed with new wool ; and partly because the method adopted under the Wool Orders of 1917 was that of reducing hours instead of stopping a proportion of the spindleage, as was arranged in the cotton trade by order of the Cotton Control Board. At the end of the war rather more women were employed than in 1914 in the woollen and rather less in the worsted trade than in July, 1914. Woollen firms, being more actively engaged on Government contracts, frequently enjoyed priority in their claims on raw material, and so maintained their prosperity to some degree at the expense of the worsted trade.

The fact that the proportion of women to the total number of workpeople was not so great in July, 1914, in the woollen and worsted as in the cotton trade was due mainly to the inclusion of dyeing, bleaching, and finishing, which in this trade, in contrast to cotton, is largely carried out by manufacturing firms. The only other important departments in which more men than women were employed were wool-sorting and wool-combing, though in most departments there was some exceptionally skilled or heavy work done by men. In spinning, both men and women were employed. In one important centre (Huddersfield) considerable numbers of men were employed as weavers ; elsewhere, nearly all the weavers were women.

A general agreement designed to facilitate substitution was signed on 23rd February, 1916, by employers and operatives in all branches of these trades, as represented by 35 associations in all, some representing particular sections of the trades and some local in character. This did not specify processes, but more specific agreements followed in April of the same year relating to two of the sections of the trade in which women had been least commonly employed (wool-combing and dyeing, etc.), giving lists of processes

declared to be open for the employment of women.¹ On the whole, however, although the employment of women was considerably extended, this was mainly on processes which had already been performed by women in some districts or mills. In Huddersfield, there was some extension of the employment of women as weavers, doubtless facilitated by the change in the type of business consequent on the war. The cloth formerly produced in this town was the finest men's suiting, the weaving of which required a specially high degree of skill. The demand for this fell off with the war, and, where firms were able to adapt themselves to a less "high class" type of trade, there was no serious difficulty in conforming to the practice of other districts and employing a high proportion of females.

So many of the men's processes in the woollen and worsted trades are extremely heavy that women were not only excluded from them before but continued to be excluded during the war. Again and again the reason given for not employing women in the place of men was that the work was heavy, heavy and wet, or hot and heavy. Women were employed on some of the heavy processes, but only to do the lighter part of the work. In some instances it was also said that it was uneconomical to employ women because of the length of training required, but this objection was rare as compared with that of the heaviness of the work. Women were often successful on skilled processes to which they were admitted for the first time, and on some of them, such as perching, employers reported that they were superior to men, saying that a woman "naturally" noticed anything which ought to be removed from the cloth.

Many of the women who did men's work during the war were employed on wool-combing at night. This had always been a

¹ 1. List of processes in agreement mainly concerning dyeing, bleaching, and finishing—

Cutting, steaming, hand-cutting.

Measuring, brushing, list-giving, scrubbing, dry-gigging, beating, damping, rotary press, perching.

Cutting, lustreing, dry-blowing.

2. List of processes in agreement concerning wool-combing—

Feeding cot box.

Feeding washing bowl (excepting scheduled wools).

Feeding dry machines (except table dryers).

Feeding wool willeys (not waste willeys).

Making up.

Breaking off (not more than three laps).

Can taking out.

woman's process by day, and a suspension of the Factory Acts relating to night work for women was necessary for this extension of their energies. Except for this, though some substitution was to be found in most firms in the woollen and worsted trades, it was not great. Eight firms investigated in 1917, employing 1,517 women and 517 men, were employing only 71 women in the place of men ; and six firms reporting in 1918, and employing 737 women and 380 men, reported that 50 women were taking men's places. But even in these cases it was frequently found that substitution consisted of placing women on processes which had been done by men only in the particular firm, and were performed indifferently by men and women, or by women only, elsewhere. For instance, to take the process of perching already mentioned, it has long been customary for women to perform it in some localities. In others there is a strong feeling that it is men's work and only the exigencies of the war made it possible to employ women on it.

The reports on women's work in the woollen trade were exceptionally favourable. As a rule, the women who were put on to men's work were carefully selected from other workers, and, although on heavy work their output was generally less than that of the men they replaced, the employers reported that they were well satisfied with them. Attempts to replace men by women as overlookers in the worsted spinning industry were less successful. It was said that the women did not like the responsibility, although one case was mentioned of a woman who was said to be equal to any male overlooker ever employed in the twisting department. The work was highly skilled and involved the keeping of accounts. The replacement could not be quite complete because there are heavy bands and wheels with which women cannot deal, so that it was necessary to retain a man to do the heavy work in each department in which a woman overlooker was employed.

It was generally assumed throughout the trade that conditions would revert to those obtaining before the war. In very few firms and on few processes did employers give any hope of permanent new openings for women.

CHAPTER V

THE CLOTHING TRADES

SOME investigations were made during the war into the replacement of men by women in the clothing trades, more especially in the tailoring and the boot and shoe trades.

The number of women employed increased during the war in the Tailoring trade, in contrast with the Shirt-making, Dress-making, Millinery, and Corset-making trades, in all of which the number of women, as well as that of men, fell. In all these trades the majority of workers were women before the war, but the proportion of men was higher in tailoring than in the rest. This trade, therefore, presented some scope for substitution ; women constituted rather less than two-thirds of the workers in July, 1914 ; by the time of the Armistice the proportion had risen to just three-quarters.

The change was due in the first place to an increase in the number of women employed on processes usually performed by them. There was considerable scope for replacement here, for, apart from such processes as pressing, on which women were or were not employed, according to the custom of the firm or the locality, or the weight of the presses, there were many Jewish firms which had none but male employees. In these firms men did all the women's processes, including machining, which was elsewhere considered to be women's work. During the war women were taken on in the place of these male machinists ; lighter presses were often introduced, making their employment on pressing more general ; and there was a general movement for extending the employment of women on processes already considered to be largely women's processes. In the second place, women were introduced into the cutting room. This was an innovation. Before the war, according to the custom of the trade, men and men only were, save in rare instances, employed in cutting. The admission of women met with opposition from men in some districts, and since the workers were by no means completely organized, the difficulty of arriving at and carrying out an agreement was considerable. In May, 1916, however, two agreements were signed, one by the representatives

TABLE IV
EMPLOYMENT IN THE CLOTHING TRADES

TRADE.	No. of Males employed in			No. of Females employed in			Percentage of Females to Total No. of Workpeople employed.			No. of Females estimated to be directly or indirectly replacing Males in November, 1918.
	July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.	
Tailoring, Shirtmaking, Dressmaking, Millinery, Corset Making	111,000	68,000	87,000	382,000	345,000	349,000	78	84	80	26,000
Boots and Shoes	110,000	76,000	99,000	56,000	68,000	63,000	34	47	39	20,000
Other Clothing Trades (including Dyeing and Cleaning and Laundries)	66,000	37,000	52,000	74,000	143,000	157,000	73	79	75	13,000
TOTAL, CLOTHING TRADES	287,000	181,000	238,000	512,000	556,000	569,000	68	75	70	59,000

of the Wholesale Clothing Manufacturers' Association, the other by the representatives of the Amalgamated Union of Clothiers' Operatives. The agreements were identical except for a preamble attached to that signed by the workers agreeing that "females may be employed in wholesale clothing factories to take the place of men who have left for service with the Forces"; the preamble also states that the agreement is not to prejudice the question of the employment of women on pressing operations.

The agreement itself was, in the first clause relating to women, negative in expression. It provided that "females shall not be introduced to replace men if competent men of non-military age are available." Earlier clauses provided for the reinstatement of men and for the return to conditions prevailing in various factories and workshops before the war.

The extension of women's employment on work already done by them was fairly swift; their employment in the cutting room was often delayed by the passive resistance of the men in the particular workshop or locality. In some few instances a women's cutting room was tried with success. Forewomen were not often introduced in the place of foremen, and some managers who attempted to employ women in this position said that the results were not satisfactory.

While the increased employment of women on pressing often involved the use of lighter presses, their employment in the cutting room caused a considerable subdivision of processes. One employer in London stated that the girls preferred subdivision because it made the work more rapid and their earnings higher, as in that particular factory they were paid by the piece. But the subdivision cannot entirely be attributed to the employment of women; it was in great measure due to the pressure of demand for goods of a uniform type. Army contracts for large quantities of goods, identical in make, had to be carried through at high speed, and the standardizing of the goods made subdivision possible and economical. Consequently, women were kept on one process where lads would have learned many.

In addition to the subdivision of work in the cutting room the processes were lightened. This was in some instances uneconomical, as when the thickness of the "lay" was diminished so that lifting and handling it should not be beyond the women's strength.

In other instances it was economical, as when recourse was made to the use of electric knives, which would be advantageous whether men or women were handling them.

Several processes in the cutting room to which women were admitted during the war were semi-skilled and some few skilled. By the time of the Armistice women had in one place or another been employed on all "cutting" processes. It was, however, rare to find them engaged on the skilled work. This was largely because actual cutting, whether by the band knife or the guillotine, not only needed experience but was dangerous and heavy. It was stated, further, that the use of the band-knife was definitely unsuitable for women, at any rate on heavy work. The abdominal pressure from the semi-circular opening in the bench is a strain on men, but was thought peculiarly bad for women, being liable to cause dizziness and accidents, quite apart from the bad effect on their general health. The necessity for reducing the lays, and the common objection of the trade unionists to the employment of women on really skilled work, prevented it from becoming widespread. It was generally said that when they were so engaged their output was inferior to that of men.

On semi-skilled processes women as a rule did well, and it was on these that they were frequently employed. The work which they did was often less skilled than that of machining, to which they were accustomed, and required no more physical strength.

But the admission of women to the cutting room was definitely only for the period of the war. With the Armistice there was an immediate movement for again filling the cutting rooms with men. Investigations indicate that the removal of women from this department has so far been very general, but not complete. It may be noticed that in November, 1919, the Tailoring Trade Board fixed minimum rates for women employed as cutters, trimmers, and fitters-up, as well as for women on other operations. The extension of women's employment in departments other than the cutting room is likely to be permanent, being merely the continuation of a movement which had begun earlier.

The following table gives some idea of substitution in six factories in London in 1918. It will be seen that in one instance women were employed in the cutting room before the war.

TABLE V
REPLACEMENT OF MEN BY WOMEN IN SIX LONDON TAILORING FIRMS

6—(17281)

Firm.	Processes on which women substituted.	Result.	Source.	Special Welfare Provision.	Hours.	Training.	After the War.
A	Cutting room: only dividing, not making even	Bad time-keeping, output, and quality	99% Local.	None; meals off premises	8 a.m.—7 p.m. 1 hr. off at dinner time, $\frac{1}{2}$ hr. at tea and in morning	Unskilled under men	Have men back as soon as possible
B	Cutting room: parting and laying on. Pressing — Hoffmann press	Output $\frac{1}{2}$ in factory generally: $\frac{3}{4}$ in cutting room. Time-keeping and quality satisfactory	Local	None. Sanitary accommodation fair.		Mostly unskilled.	Great problem. Must stand by the Agreement. Thinks women have come to stay
C	Cutting room: dividing, laying on. <i>Band-knife</i> , viewing and final viewing. Forewomen	Time-keeping fair. Quality not so good. Output about $\frac{1}{2}$	Local	Hadn't heard of welfare! Canteen pretty good; airy and clean	8.30—6.30. 1 hr. dinner, $\frac{1}{2}$ tea; 10 mins. in middle of morning		Must have men back; Agreement
D	Chiefly counting-house	Very favourable. Time-keeping not so good	Local	None	8—6.30; rest 10.30 for 10—15 mins. 1—2 p.m. & 4.30 for 10—15 mins.	Training of any display of intelligence, but will welcome Fisher's Bill	Not a problem; very little substitution, mostly expansion
E	Separate cutting rooms, and on <i>band-knife</i>	Good. Sub-division to a great extent	Local	Have lavatories; First Aid Corps. Meals on premises	Women, 8—8; Men sometimes 8—10 p.m.	Little training	Will take men back
F	In cutting rooms <i>before the war</i> . Not on <i>band-knife</i>	Excellent. Time-keeping satisfactory	Mostly local	No extra arrangements			Men must come back but prefers women: bright, intelligent, and docile

The Boot and Shoe Trade

In the Boot and Shoe trade the employees in some localities are highly organized ; in others there is to this day, in spite of the impetus given to trade unionism during the war, very little cohesion among the workers. There has been, however, throughout the industry a strong tendency to confine the employment of women to certain processes and departments. The closing department, where uppers are stitched, was already in 1914 mainly staffed by women, and some were also employed in the "shoe room" on putting in socks, packing, etc. In some other departments there were no women whatever, while in the rest their employment was restricted to a few minor processes, so that the further introduction of females was a matter of grave consideration and a subject of deliberate agreement.

The difficulties incurred in the cutting room of the tailoring trade by bringing in one or two women among a number of men, were incurred also in the boot and shoe trade (e.g. in the finishing department). It was said by some firms in both industries that men preferred to work with men and women with women, and that the employment of one or more women in a roomful of men was subversive of discipline.

Unlike the tailoring trade, the majority of employees in the boot and shoe trade were men. Consequently, there was greater scope for substitution. 34 per cent. of the workers in July, 1914, were women ; 47 per cent. in November, 1918. In spite of the great demand for Army boots, the total numbers employed declined during the war, the number of men decreasing more rapidly than the number of women increased.

Few processes in the boot and shoe industry are skilled when the work is done in factories. There are still a number of boot makers who do hand work at home or in small workshops ; these are highly skilled, understanding all the processes and completely carrying through the making of a pair of boots or shoes. These do not concern us, for women did not and could not at short notice take the place of these men. But it was comparatively easy to put them on to many of the semi-skilled or unskilled processes in a factory. Subdivision of processes has long been carried to an extreme in this industry. Each worker learns to manipulate one of a variety

of machines, each doing one small part of the work. The processes are too numerous for any worker to master them all, and the skill to be acquired consists chiefly in swiftness and accuracy in managing one machine and in adjusting and putting it to rights. Consequently, when women were admitted to men's processes they did precisely the same work as the men, except that in many instances a mechanic was employed to set the machines. After some practice, the women often became capable of setting their own machines, and the replacement was then complete.

The barrier to the employment of women in this industry, therefore, was in but few cases the length of training required ; long experience was needed only in such skilled processes as clicking, which could only be done economically by workers who had a considerable judgment of leather, which takes years to acquire. On most other processes the chief question was whether or no women were strong enough to do them satisfactorily. Some processes were heavier than others, and some factories handled heavier goods than others. In Leeds, for instance, which had long been the centre of the heavy boot trade, the proportion of women to men had always been lower than in other parts of the country where lighter work was undertaken. During the war there was much need for goods produced in the industry in this centre, because of the demand for heavy boots for Army use, and work was done not only for the British troops, but, in the early part of the war, for the Russian, and, later, for the Italian Armies. Many experiments were tried in the way of putting women on to new processes. But in several instances it was found that, though they were very successful at first, they could not stand the strain and left the work, although they were earning good wages. By degrees, the employers learned which processes were really suitable for women and confined them to such processes.

Elsewhere, and in firms in Leeds engaged on light work, substitution was more extensive. One firm making children's boots and shoes in Leeds, was, in 1918, employing more than one-third of its women on men's processes, and this firm had a branch in Derby in which women only were employed on every process. Where the work was light, women were said to be especially successful in the finishing department. Small and deft fingers proved a valuable asset in handling small shoes, and on this work it was

sometimes found that the total earnings of women paid by the piece exceeded those of men on the same work paid in the same way.

A general agreement was made in June, 1915, between the representatives of the Manufacturers' Federation and of the Operatives' Union in the Boot and Shoe Industry, making it possible to employ women "upon certain operations hitherto ordinarily restricted to male labour." It was provided that piece work rates should be the same for women as for men, and that the employment of women should be limited "to such operations as they are physically fit to perform." It was stipulated that no substitution should take place without consultation with the local trade union officials; hence arose a number of local agreements specifying, as the general agreement did not, the processes and departments to which women might be admitted. There was much elasticity, however, in the interpretation of these agreements, and as has been seen there was no process in the industry which had not been tried by a woman by the time of the Armistice.

Since the war ended, the customs of the trade have been re-asserted. It was reported from a firm in Leeds, in February, 1920, that some 50 or 60 women were still engaged on men's processes, but that it was unlikely they would remain on them much longer. The inconvenience of having a very few women in a men's department; the fact that much of the men's work was too heavy for women; the strong objection of the men to having their work taken over by women, combined with a definite clause in the general agreement that "female operatives shall only be engaged in substitution for male labour when and so long as it is not found possible to obtain male operatives"; and the insistence on equal payment for piece work whether the women on the whole worked as rapidly as men or not, have for the time being contributed to restore the male monopoly of many departments and processes. It may be hoped, however, that the proof afforded during the war of the actual superiority of women on processes in light branches of the trade may lead to some re-adjustment of work as between men and women in the future.

CHAPTER VI

THE FOOD, PAPER, WOOD, AND MISCELLANEOUS TRADES

IN the great majority of trades other than those dealt with in the last three chapters, the number of males fell and the number of females rose during the war. With a few exceptions, moreover, the bulk of the work was more or less similar to that done before the war. In these trades, therefore, substitution was less hindered by other emergency conditions than in those already discussed.

They may be roughly divided into industries which did and industries which did not employ a large number of women before the war. Most of the latter group have certain characteristics in common. On the whole, in spite of many mechanical improvements, they had not altered anything like so rapidly in the last half century as the metal trades, partly because many of them are carried on by small firms all over the country. The numbers employed in the food and drink trades are (except in Burton) roughly in proportion to the population in each place, and the same is approximately true of printing and cabinet making. Present conditions in these trades are accordingly somewhat more like conditions in the past than in the metal trades, and the distinction between skilled tradesmen and labourers has been very much less obscured by the growth of a large class of semi-skilled process workers.

A labourer, whose work sometimes, but not always, involves strength, and never involves much skill, frequently drifts from one trade to another, and in each his duties consist of fetching and carrying, waiting on the skilled men, and "diluting" their labour; and, in general, doing everything which an inexperienced pair of arms can do. Apart from custom, the main obstacle to the employment of women was the heavy nature of much of the work; a labourer's work is as a rule relatively little helped by machinery, and he has to handle the materials and products of each trade in whatever unit of weight they may customarily be packed or lifted when they are supplied or sold. Many of the most spectacular cases of substitution were in labourer's work; it was work of this kind which made an interesting picture, in which the exceptional

TABLE VI
EMPLOYMENT IN THE FOOD, PAPER, WOOD, AND MISCELLANEOUS TRADES

TRADE GROUP.	No. of Males employed in			No. of Females employed in			Percentage of Females to Total No. of Workpeople employed.			No. of Females estimated to be directly or indirectly replacing Men in November, 1918.
	July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.	
Grain-milling	40,000	32,000	44,000	2,000	11,000	5,500	5	26	11	9,300
Sugar, Confectionery, and Jam	36,000	24,000	40,000	69,000	57,000	70,000	66	70	64	4,100
Bread and Biscuits	94,000	67,000	91,000	35,000	49,000	51,000	27	42	36	17,200
All Other Food Trades	34,000	27,000	38,000	40,000	39,000	45,000	54	59	54	2,800
Tobacco	15,000	12,000	17,000	32,000	42,000	38,000	68	78	69	5,200
Manufacture of Alcoholic and Other Drinks	141,000	85,000	129,000	18,000	33,000	32,000	11	28	20	19,500
TOTAL, FOOD, DRINK & TOBACCO TRADES	360,000	247,000	359,000	196,000	231,000	242,000	35	48	40	58,000
Paper and Wallpaper	40,000	27,000	50,000	18,000	21,000	21,000	31	44	30	6,600
Printing and Bookbinding (Including Newspaper Printing & Publishing)	200,000	119,000	184,000	89,000	83,000	101,000	31	41	35	21,000
Stationery, Cardboard Boxes, Pencils, Gum, Ink	21,000	12,000	19,000	41,000	37,000	44,000	66	75	70	4,600
TOTAL, PAPER AND PRINTING TRADES	261,000	158,000	253,000	148,000	141,000	166,000	36	47	40	32,000
Saw-milling, Joinery, Cabinet-making	239,000	158,000	226,000	32,000	67,000	50,000	12	30	18	41,000
Baskets, Wicker-work	7,000	5,000	6,400	2,000	1,400	1,500	22	22	19	200
Brush-making	12,000	10,800	13,000	10,000	15,000	18,000	45	60	50	3,500
TOTAL, WOOD TRADES	258,000	173,000	245,000	44,000	83,000	69,000	15	32	21	45,000
Bricks and Cement	100,000	40,000	76,000	5,000	8,100	8,200	5	17	10	5,700
China and Earthenware	50,000	27,000	40,000	32,000	35,000	38,000	39	56	49	11,000
Glass	36,000	23,000	38,000	4,000	7,400	7,400	10	24	16	4,300
Leather Trades	67,000	48,000	59,000	17,000	37,000	28,000	20	44	33	20,000
Rubber	26,000	24,000	35,000	15,000	34,000	30,000	37	59	46	13,000
Gas, Water and Electricity (Private and Municipal Undertakings).	147,000	126,000	171,000	1,000	15,000	4,900	1	11	3	14,000
Other Trades not shown separately	30,000	17,000	28,000	16,000	19,000	19,000	35	53	40	6,500
TOTAL OF ALL ABOVE TRADES	1,335,000	883,000	1,304,000	478,000	611,000	608,500	26	41	32	210,000

character of the employment for women was obvious at a glance, and led the daily press to produce articles on "The Hand that Rocks the Cradle Wheeling Coke." On the whole, neither the men nor the women, nor most of the firms, would think it fitting for women to remain in this work when the war emergency was at an end.

For a women to take part in the skilled work of these trades involved an obvious departure from custom—custom in many industries with regard not only to sex, but also to the length of training every journeyman was expected to have been through. There was a considerable amount of such substitution, usually partial, but occasionally complete, but almost without exception women did not remain on these processes long after the end of the war.

Another obstacle to the employment of women in many of these trades before the war was the practice, resulting partly from unavoidable causes, of night work. During the war the clause in the Factory Acts forbidding the industrial employment of women at night was suspended in many cases. This suspension was, however, a purely temporary measure, though the last vestige of it, namely, the permission to some firms to maintain a two-shift system, under which some women work up to 10 o'clock at night, is still under consideration and may possibly be allowed to continue in some cases.

In some of the skilled processes, however, which are now almost as exclusively in male hands as before the war, the presence of the women, temporary as it was, has left its effect in an appreciable number of cases in improved equipment for the reduction of the demands on human strength and endurance. Where smaller sacks were used in packing, so that they might more easily be handled by women, this was a temporary measure which, given male labour, would probably not make for economy of effort in normal times, but where lifting tackle was introduced, this, when once installed, would certainly not be scrapped, and all such developments in the direction of the moving of physical strain from the human body to a machine are both desirable and sufficiently characteristic of modern manufacturing method to be likely to increase rather than lessen. In a few cases also, exhaust apparatus to carry off fumes, or asbestos covering to stoves to lessen the heat to be endured by

the worker, were introduced for the sake of the women, and will be a permanent benefit to the men and to the trades affected.

The fact that there are still a larger proportion of women in most of these "men's trades" than before the war is accounted for mainly by various forms of work accessory to the trades, such as packing and warehouse work, and the making and mending of sacks to contain the goods. In these, both men and women were employed before the war, and many firms are still employing more women than in July, 1914, though, as a rule, fewer than in November, 1918. In only a few cases, as, for instance, in the small and highly localized linoleum trade, are women employed on manufacturing processes to which they were introduced for the first time during the war. In some cases the normal technical development of the trade which would probably have occurred without the war, has led to a permanent increase in women; the process in glass finishing known as the "new process" is a case in point.

In those trades and departments of trades in which considerable numbers of girls and women were employed before the war, the numbers certainly appear to have been permanently increased. This has happened naturally as a result of the activity of some trades, the shortage in some districts of male labour, and the increase in the number of women desiring work. There has not, as a rule, been any conscious change of policy, as compared with pre-war practice, on the part of the firms.

A brief survey of each of the more important trades or groups of trades follows.

The Manufacture of Food, Drink, and Tobacco

The most interesting food trades from the point of view of substitution are grain milling, the baking of bread and cakes, and, though the number of workpeople involved is small, sugar refining. In all of these the great majority of the workpeople employed before the war were men and boys, the work of women being practically confined to non-manufacturing processes, such as sack repairing in flour mills or light packing in sugar refineries. Even in such processes as these, women were by no means exclusively employed, and an extension of their employment therein during the war was relatively easy. On the other hand, many of the manufacturing processes, and some even of the warehouse work, is very

exacting physically, while from the night work which is customary in many of these trades women are normally excluded by the Factory Acts. This last obstacle was temporarily overcome during the war by relaxations in the Acts, but so long as night work is considered essential to a trade obviously it greatly reduces the number of women likely to be permanently employed.

In the grain milling trade the Order permitting the employment of women and boys at night embodied the condition that no woman or young person should be employed to move anything so heavy as to be likely to cause physical injury ; and the factory inspectors not only helped to enforce this provision but in some cases made suggestions which enabled women to be employed on work otherwise unsuitable.

In the sackhouse, some women were employed before the war on mending sacks, as has been already mentioned. During the war other processes, such as cleaning (beating by machine or scraping by hand) and turning sacks, passed largely into the hands of women ; and in many mills almost all the workers employed in this department were females. Mechanical methods were introduced in some cases both for turning sacks and for the collection and cleaning of the sweepings of flour from the floor of the beating machine.

Lighter trucks also were introduced, and in some mills the hand pullies for carrying the grain from one floor to another were replaced by conveyors worked by electricity.

In the mill itself women were introduced much less freely than into either the sackhouse or warehouse. Where they were employed it was usually for labourers' work, such as cleaning floors or waiting on the skilled workers. Some were employed as assistants to the roller men, or to the men in charge of the purifiers, and in the Silo department some few women acted as attendants.

The women were required to wear suitable clothing so as to lessen the risk of accident, and in some cases firms were required to improve the fencing of their machinery. In spite of the opinion of many employers that the work on milling machinery was dangerous for women, no increase of accidents has been reported as resulting from their employment.

In the warehouse, the only serious obstacle to the replacement of men by women was the heaviness of the weights to be handled.

In some places a very large proportion of the warehouse work was, in fact, done by women by the end of the war, and their employment in this way was made easier and more suitable by the increased use of small sized sacks, containing 140 lbs. and less.

In baking, considerable numbers of women were introduced into most processes in the manufacture of cakes and pastries. Their employment in the mixing of bread was relatively rare, but though the general agreement between employers and operatives permitting the employment of women in the baking trade in Scotland (concluded in July, 1915) was at first held to apply to the manufacture of pastry and small bread only, a further conference of the parties concerned was held in August, at which it was confirmed and definitely declared to apply to all branches of the trade. In England and Wales there was no signed agreement, but a considerable amount of substitution was effected, mainly, but not exclusively, in the production of goods other than bread.

Oven work is interesting in that, owing to the heat to be endured by the worker, women were not employed before the war even by the large biscuit firms, which made use of female labour very freely for much of their work. Even during the war the number of women so employed was very small, but there were instances of the introduction of exhaust apparatus or of asbestos covering to ovens in order so to reduce the heat as to make the introduction of women more possible.

The number of women employed in sugar refining increased more relatively to the total number of workpeople than in either grain milling or baking, rising from 11 to 45 per cent. of the total personnel. This was largely the result of the great activity during the war, for, though the total amount of sugar imported into the country decreased seriously, the imports of unrefined cane sugar actually increased. Substitution was, therefore, the result of the urgent need of the trade for labour, and took place in spite of the fact that many firms considered, with some justice, that most of the work was unsuitable for women under present conditions.

Some of the processes are carried on in great heat, others involve heavy lifting, and night work is common ; moreover, especially in some of the older refineries, conditions are such as make it probably unsuitable for men and women to be employed together.

It is clearly not to be regretted that much of the replacement in

this trade has not been permanent. There is, however, a good deal of work, such as the washing and drying of bags and cloths, and packing and other warehouse work, which, under proper conditions, is suitable for women, and the figures show clearly that for such duties as these a high proportion of the women drawn in during the war are being retained. Laboratory work also appears likely to offer permanent employment to a small number of women, including a few on scientific research work.

Most of the other food trades are carried on mainly by large firms with well-known names, many of whom not only make food-stuffs, such as biscuits, cocoa, jam, pickles, or condensed milk, but also the cardboard, wood, or tin boxes and cases in which they are sold. All these firms employed large numbers of women before the war, not so much in the actual mixing of the ingredients as in such semi-manufacturing processes as cutting out biscuits and moulding and filling fancy chocolates, and in every kind of packing, wrapping, and bottling; and also in work more properly belonging to other trades, such as soldering tins or making cardboard boxes.

During the war considerable numbers of women were introduced into actual manufacturing processes, such as sugar boiling and jam boiling. Any increase in numbers was seriously checked in trades using sugar (except, for the reasons already mentioned, sugar refining) by shortage of this raw material; in the sugar confectionery trade there was a fall in the total numbers of women employed. The slackness of trade did not in this case prevent a large amount of substitution, as, though some women were discharged altogether, many were transferred from departments mainly staffed by women to other departments to replace men joining the forces. A change in the type of output increased the amount of substitution, since the departments producing cocoa and bars of chocolate, which normally employ men, enjoyed relative activity during the sugar shortage, and provided employment for women and girls from the slacker departments producing fancy chocolates and expensive sweets.

There was a considerable amount of substitution in breweries on miscellaneous unskilled subsidiary processes, such as cleaning and bottle washing and filling. In some breweries women were so employed before the war, and it seems likely that some part of

the increase in their employment will be permanent. In malt-houses, unlike breweries, women were temporarily introduced into the actual manufacturing, but much of the work is heavy, and night and Sunday work is apparently unavoidable.

Whereas brewing and malting may be roughly classed with grain milling, bread baking, and sugar refining, as men's trades into which some women were introduced during the war mainly for labourers' work and packing tobacco may be classed with the other food trades as an industry always largely staffed with women. It is also like them in that many firms make their own tins, and some of the women are employed thereon. Most of the substitution effected was on processes very commonly performed by women even before the war, such as cigarette making by machine or hand, and cigar making. It appears likely that the proportion of women in this trade has been permanently increased.

The Paper Trades

The paper trades may be divided into paper making and the various industries that use paper as their principal material. Paper making is mainly a men's trade, women being normally employed only on the preliminary handling of the material (especially in rag and waste paper sorting) and warehouse work. The paper using trades are stationery, including cardboard box and paper bag making, in which women are always largely employed; book-binding, in which there is a large amount of women's work very like that in the stationery trade, although the actual binding is in general done by men; and printing, which includes processes usually performed by men, processes usually performed by women, and debatable ground. The question of substitution of women for men, therefore, requires most detailed consideration in the case of printing, but it may be well to consider the other paper industries first.

In spite of the lessened activity which paper making suffered in common with all other trades in this group during the war, owing at first to reduction of orders and later to acute shortage of material, the women employed rose not only relatively to the total personnel but in actual numbers. This was partly due to the increased demands on the rag and paper sorting departments, always staffed mainly by women, resulting from the greatly reduced imports of wood pulp.

Women were also employed to some extent to replace men in actual manufacturing processes, though almost always only on labouring work as assistants to the skilled and semi-skilled men. As much of the work is heavy and some is on dangerous machines, and night work is unavoidable, most of this replacement was inevitably temporary.

The chief work commonly performed by men in the manufacture of stationery, besides machine setting, which is almost invariably men's work in all trades, is the cutting out of cardboard or paper and ruling by machine. Cutting may be done either on a "guillotine" or a rotary machine, or with shears; the guillotine machine is almost invariably worked by men, but women were frequently employed, even before the war, on each of the other methods, and in some places they were also employed on machine ruling. During the war their employment became more frequent in each of these processes, and there were rare instances of women guillotine cutters.

One firm reported in 1918 that women were employed in disc ruling and were much better at the work than men on account of the superior delicacy of their fingers, but that the unions considered that this was men's work. The same firm states this year (1920) that the unions have now recognized disc ruling as women's work and the men do not want to go back to it.

The rest of the work in the stationery trade, the folding of paper and cardboard by hand or machine, fastening it together into envelopes, paper bags, or cardboard boxes, and packing, is always done by women. There is much folding of paper also in the bookbinding and some in the printing trade which was also generally done by women even before the war, with minor bookbinding processes, such as collating, numbering and paging, and perforating. None of these operations, therefore, gave much room for substitution, though a few male folders were replaced by women. During the war there were instances of women taking the place of men in actual bookbinding, especially on the cheap flush binding, but the number so introduced was not great. Altogether there was some increase in the number of women employed in the bookbinding trade, but in stationery there was a fall, though very much less than the fall in the number of men.

Most printing firms do some work similar to that in the stationery and bookbinding trades, and employ some women thereon, especially

folders. Printing proper, however, consists of composing or setting up type by hand, or by a Monotype or Linotype machine, and minding the printing machine. The subsidiary processes of "laying on," or feeding the machines with paper, and also of "taking off," are involved. Layers on and takers off are frequently women, girls, or boys; and the unions rather encourage the employment of women and girls, as they consider them largely blind alley occupations for youths. The proportion of work of this kind performed by women considerably increased during the war. Firms which employed readers to read manuscript over to the compositors and to correct first proofs have in some cases replaced boys by women and girls. This also is considered to be frequently a blind alley occupation, so that the unions do not, as a rule, object to the introduction of female labour.

Printing is one of the industries in which it is the policy of the trade unions to insist that the journeyman (compositor or machine minder) shall have served an apprenticeship of from four to seven years, although there is considerable difference of opinion as to whether so long a training is necessary under modern conditions. A large section of the trade is highly organized, the Federation of Master Printers and the Operatives' Unions are both strong, and on the whole they trust one another and are accustomed to act together and to discuss trade matters freely. Firms are for the most part either "union" houses or "non-union" houses. "Open" houses, which employ both union and non-union men, are rare. In union houses, action contrary to trade union policy is practically impossible, and many firms consider the policy of the unions wise.

During the early part of the war, the policy of excluding all workers other than journeymen who had served their time from compositing and machine minding prevented the introduction of women, except to a very small extent in non-union houses, where some few women, especially in the provinces, were already employed on the work. In August, 1916, however, an agreement was signed between the Federation of Master Printers and the Printing and Kindred Trades Federation (of Unions of Operatives).¹ This did not specify processes, but said: "The unions agree to such suspension of trade rules and customs as may be necessary to secure the

¹ The London Society of Compositors and the Association of the Correctors of the Press were not parties to this agreement.

carrying on of the trade." Among the other clauses of this agreement, however, was the following: "If any employer should, through shortage of work, find it necessary to reduce the staff in any department, it shall be incumbent upon him to dispense first with any female or other substitute labour that may have been introduced to take the place of males." This clause, under the peculiar circumstances of the printing trade during the latter part of the war, made the agreement of little effect. The number of women in the industry, which never recovered quite to the pre-war level after the period of very bad trade in the winter of 1914-1915, began to fall again in the latter part of 1916, owing to the very serious shortage of paper. The greatly reduced production obviously lessened the need for the employment of substitute labour in compositing and machine minding, so that the position of women with regard to the highly skilled sections of the printing trade was not materially altered by the war.

The Wood Trades

It is not easy to separate the woodworking trades from each other, as they are by no means always carried on by distinct firms. In particular, the war demand for wood boxes and packing cases induced many firms in various branches of the wood trades to undertake their production to some extent. The additional women drawn into the whole group were very largely engaged in this work, partly because it is always comparatively easy to introduce a new type of labour into a kind of work which is new to the firm undertaking it, especially if it is additional to the normal work of the firm, and partly because wood box making is much lighter than saw-milling and less skilled than either saw-milling or cabinet making. In that women were introduced rather to undertake new war work than directly to replace men on the normal work of the industry, the wood trades resembled the metal trades.

However, although the employment of women in the actual work of saw-milling was almost unknown even during the war, a few were introduced to help the men employed in wood machining of various kinds, such as planing, or for light labouring work, such as carrying and stacking light timber.

In the cabinet making trade it is probable that women

might have been introduced considerably more freely than they were. Before the war they were hardly ever employed except on French polishing and upholstery work. Some were taken on during the war for turning light parts, and a few for miscellaneous bench work, chiefly the minor processes, such as gluing, fixing handles, etc., on the cheaper goods. Further substitution was checked, partly by the length of training considered necessary for the work, and partly by the general slackness of the trade. In the production of wooden aeroplane parts, an almost entirely new trade arising during the war, it is estimated that by November, 1918, roughly 4 women were employed to every 5 men.

Brush making may be grouped with the wood trades, though it is much more distinct from the rest than they are from each other, and materials other than wood are used. The two main sections of the trade are the "pan" department, that is, the manufacture of brooms, and the toilet and clothes brush department. In the former, the knots of fibre or bristle are dipped in a pan of pitch mixture and then fixed into the stock; in the latter they are tied or wired in. Women were employed even before the war on most of the processes in the toilet brush trade, except finishing by the band saw or spindle moulder, and bristle trimming with a revolving knife, which are rather dangerous processes; in these there was some small amount of substitution during the war.

In pan work there was much more scope for substitution, since, though much of the work, especially on those brooms made with animal hair not vegetable fibre, was done by men before the war, it is not in any way beyond the powers of women.

The number of women drawn in would have been considerably greater had not many firms installed filling machinery during the war, and thus increased their output without increasing their need for labour.

Brick Making

Although firms producing building bricks suffered in general from an extreme shortage of orders during the war owing to the restrictions on building, many also suffered as time went on from inability to obtain certain classes of indispensable labour. The isolated position of many brickyards is doubtless accountable for

the fact that, although many closed from lack of orders, this did not solve the difficulties of others from scarcity of men.

In these circumstances some small amount of replacement of men by women was effected, though this was necessarily greatly limited by the arduous character of the work. Nearly all the women introduced were employed on labouring work, such as taking bricks off the presses and loading them on to bogies, and stacking and wheeling bricks. To some extent, methods were adapted so that the work might involve less physical strain than formerly, and in taking-off, in particular, mechanical devices were in some cases introduced.

The production of fire-bricks and other fire-clay goods was active during the war, owing largely to the demands of munition works. In some districts women were employed on this work before the war and their employment increased partly through their introduction in other districts and partly through activity of trade.

China and Earthenware

Even before the war nearly 40 per cent. of the workpeople employed in the China and Earthenware Trade were women, and during the war the proportion rose to 56 per cent. The actual making of pottery, apart from the preliminary treatment of the material and warehouse and decorative processes, consists of two sections, shaping (potter's shop processes) and firing (kiln processes). In the potter's shop the processes on which men only were employed, though considerable in number, did not, in general, employ very many workpeople; the greater part of the work was done by men or women, according mainly to the size of the article handled, though, doubtless, there were border-line cases in which the practice varied from firm to firm. The increase in the proportion of females in this stage of the work was the result partly of the pushing back of the dividing line, so that women undertook work on articles somewhat larger than before, and partly of the increase of the type of work usually done by women, and the decrease in that normally done by men. This latter development resulted largely from causes unconnected with the supply of labour; there was a great demand for electric fittings, on which women principally are employed, and a poor demand, owing to the depression of the building trade, for sanitary ware, the heaviest product of the

industry. In the case, however, of goods normally produced in varying sizes, as, for instance, plates, the tendency of the trade to produce mainly the smaller sizes during the war was the direct result of the type of labour available. Moreover, the very important process of pressing, for which male labour was necessary, was in many cases replaced by casting, in which women are always freely employed.

In kiln processes, women were less commonly employed before the war than in the potter's shop, and from some they were definitely excluded by the Pottery Regulations of the Factory Act on account of the risk of lead poisoning or other injury to health. These regulations were considered at a series of conferences of manufacturers' and operatives' associations, and, as a result of an agreement signed by representatives of the Joint Committee of Pottery Manufacturers' Associations, the National Amalgamated Society of Male and Female Pottery Workers, and the United Ovenmen's Society, in November, 1915, they were relaxed in a General Order in the following month. They came into force again in 1919.

The most important processes in which substitution in this department was possible were biscuit and glost placing. Only the latter involves the risk of lead poisoning, as ware, when it undergoes its first firing (the "biscuit" stage), is not yet glazed. In both, however, the employment of women was formerly practically restricted to small tiles and fittings, so that their employment on pottery proper was an innovation. Much of the work is too severe for women, but dilution was effected by many firms, the heavy work being reserved for men.

Glass

In the manufacture of glass bottles (blown glass ware) women were only employed before the war in certain warehouse and other subsidiary processes. The employment of girls under eighteen in the glass house was prohibited by the Factory Act, and older women also were excluded by the custom and feeling of the trade. During the war, owing to the shortage of male labour, women were admitted, but, as this was felt to be a temporary measure, their employment was practically confined to labouring work (taking-in or carrying), for which no training was necessary. On the whole, owing to the

heat and other conditions of work, the continued employment of women in the glass house is not desirable.

What is true of the manufacture of glass bottles is also true of that of flint glass, except that there women were very rarely employed even in labouring during the war. The cutting and other decorating of flint glass, however, was a suitable field for the introduction of women and girls, and an agreement permitting this was reached in May, 1917, between the British Flint Glass Manufacturers' Association and the United Flint Glass Cutters' Society. Women were frequently employed before the war for the relatively unskilled cutting processes of "bottoming" and "punting," but the introduction of girls in the place of boys as learners into glass cutting proper is a particularly interesting development, as the work is skilled, requiring about three years to attain full proficiency, and the agreement definitely contemplated the employment of girls after the war. The firms who availed themselves of the opportunity of training girls were not many, but of those who were taken on, some are (1920) still employed.

The Leather Trades

The Tanning and Currying trade was considered an important field for substitution during the war on account of the need for the product for the manufacture of boots and shoes and military equipment. On the whole, the substitution carried out was direct; there was relatively little rearrangement of work.

Before the war, the employment of women was almost entirely confined to certain of the final currying processes or "table work," in the manufacture of light leather, and the lighter warehouse work. During the war, women were introduced freely into all this final work, and also to a very considerable extent into the much more arduous tanning processes, the extent to which this was possible depending mainly on the weight of leather to be handled. The leather produced may be, sole leather, dressing leather, or light leather. The first of these consists of the whole thickness of the hide and is used for the soles of boots, and leather belting for machinery. For dressing leather the hides are split; it is used for the uppers of boots and shoes, saddlery and military equipment. Light leather is made from skins of kids and other small animals, and from the thinnest portions of hides, known to the trade as

"offal." Hides, when they are first received, are hung in a lime pit which loosens the hair and the flesh ; women were introduced for this work in the case of the smaller skins. The next process is the scraping of the hides in order to clean them. This work of "fleshing" and "unhairing" is hard and unpleasant, but women were employed during the war to replace men on fleshing machines where the skins were light. The hides are then washed and oiled, and those destined for dressing leather are split ; the feeding, though not the setting, of splitting machines being in some cases undertaken by women. The skins go next to the tan pits, where they are hung first in a weak solution and afterwards in a stronger, and are then hung up to dry. The older method was to use a vegetable solution, but this is being replaced in some yards by chromic acid. On the actual tanning processes of hanging the skins in the pits, transferring them from one to another, and hanging them to dry, women were employed during the war to some extent by many firms, the lifting being done in some cases, where the skins were heavy, by two women working together. The work is wet, and special clothing, in particular leggings and mackintosh aprons, were required.

As a result of the introduction of some women into most of the more important tanning processes, the whole number of women engaged rose from 9 per cent. to 38 per cent. of the workpeople in the trade. Among the firms which introduced women freely were many who had employed none whatever before the war. A large part of the increase was in the relatively clean and light currying processes, and it is only in this work that any considerable number of women are likely to be permanently employed, though in time of exceptional pressure of orders firms will probably employ them in many other processes in the production of light leather.

Early in the war the saddlery trade (which also makes military belts and other equipment) benefited very much from the war demand. In Birmingham and Walsall, where this trade is largely carried on, it was for a time only slightly less busy than the munition industries. In consequence, there were in the spring of 1916 about 6 per cent. more males employed than before the war, while the females had increased by more than 60 per cent. The manufacture of travelling bags and other leather goods, though not quite as active as the saddlery trade, benefited by the cessation of

imports from Germany, and a small fall in males was at that time more than compensated for by a rise of over 40 per cent. in females.

The large increase in the employment of women in the leather goods trades was not mainly the result of the substitution of female for male labour in definite processes. For years, with the introduction of lighter machinery, and greater division of labour, an increasing proportion of leather work had been performed by women. This movement was accelerated by the war, especially by the introduction of new machines, worked by women, to perform processes which men previously did by hand. However, as the war went on, an increasing number of women were employed on work of a kind seldom performed by women before, such as riveting, which usually requires some physical strength, and leather cutting, which, as in the boot and shoe trade, is highly responsible work, as on it depends the economical use of valuable material. Some firms introduced women into practically every process. One manager stated that on piece-work they worked "like grim death."

In the first interim report of the British Association on the Replacement of Men by Women in Industry (in *Credit, Industry, and the War*, 1915) it was anticipated that, after the signing of peace, there would be much unemployment in this industry, as was the case after the South African War. However, as saddlery and equipment have, as compared with munitions or even clothes, considerable durability, and as, moreover, cavalry was relatively less important in France than in South Africa, the pressure on the saddlery trade became markedly less as the war continued. On the other hand, the demand for light leather goods for civilian use continued brisk during and after the war, and the British trade clearly has no immediate need to fear German rivalry, so that the expectation that the leather goods trades as a whole would be so slack at the end of the war as to cause unemployment and distress was happily unfounded.

The manufacture of boots and shoes has been already considered among the clothing trades.

Indiarubber

The rubber trade may be divided into three parts, the actual manufacture of rubber, the making of solid rubber goods, and the making of articles from sheet rubber. Before the war, women

were employed hardly at all in the first of these, to some extent in the second, and very commonly in the third. The proportion of women to the total numbers employed increased considerably during the war in all three sections, rising in the trade as a whole from 37 to 57 per cent. of the total number of workers.

In the manufacture of rubber, women were introduced only as labourers or assistants to the men. In ordinary times the employment of women in this section of the trade is probably undesirable, as the machinery is dangerous and the weights to be handled heavy. Moreover, in the process of wet mixing, lead is used, which may cause lead poisoning ; while the naphtha fumes arising in dry mixing and spreading are, if not drawn off by effective exhaust ventilation, highly unwholesome. No actual cases of injury through lead or naphtha to women replacing men in rubber work were, however, reported by factory inspectors during the war.

The making of solid rubber goods, though heavy and hot work, was undertaken by women unaided in some factories during the war. On the whole, this is not very satisfactory work for women in normal times, though their employment on moulding the smaller articles is by no means impossible if exhaust apparatus is provided.

In the production of such sheet rubber goods as hot water bottles, though much of the making up is normally done by women, cutting out was, before the war, as in most other trades using expensive material, almost invariably done by men, and this was a field in which some replacement of men by women was effected during the war. On the making of pneumatic tyres and hose pipes, the practice of firms as to the employment of women varied in 1914, and there was considerable increase during the next four years in the total numbers so employed. It is in such work as this that the increase is most likely to be lasting.

CHAPTER VII

THE POSITION OF WOMEN IN AGRICULTURE

THE changes which the war brought about in the position of women in agriculture are particularly difficult to measure, on account of the relatively small number of women giving up their entire time to it, and the large amount of work performed by various types of part-time workers on the land. The women who take part in the agricultural work of this country fall into the following classes—

1. Women farmers.
2. Wives, daughters, and other female relatives of farmers.
3. Female farm servants combining agricultural with domestic duties.
4. Seasonal workers—
 - (a) Local women, especially the wives of farm labourers, otherwise engaged chiefly on domestic work in their own homes.
 - (b) Women coming to the locality for the work, employed mainly in gangs.
5. Full-time wage earners in agriculture.

In the following table farmers' relatives and farm servants giving most of their time to farm work and full-time wage earners are grouped together as permanent workers, while most seasonal workers are reckoned as casual. It is, however, very difficult to differentiate exactly between these classes and there are certainly semi-permanent workers whom some farmers would reckon as casual and some as regular. Unfortunately, no figures for July, 1920, are available.

TABLE VII
NUMBERS EMPLOYED IN AGRICULTURE (GREAT BRITAIN)

	MALES. ¹			FEMALES.		
	July, 1914.	July, 1918.	July, 1919.	July, 1914.	July, 1918.	July, 1919.
Permanent Workers	800,000	589,000	688,000	60,000	113,000	97,000
Casual Workers	120,000	70,000	72,000	50,000	85,000 ²	83,000
TOTAL	920,000	659,000	760,000	110,000	198,000	180,000

¹ Not including soldiers and prisoners of war.

² In July, 1917, there were 88,000 casual female workers on the land; the number fell in 1918 owing to the compulsory reduction in the acreage under hops and the partial failure of the fruit crop.

The larger proportion of the women here reckoned as permanent were, in July, 1914, the relatives of occupiers ; the class of full-time female wage earners in agriculture was very small indeed and had been dropping rapidly in numbers during the whole of the last century. This was partly because some sorts of work (e.g. in the reaping field) were made unnecessary by machine methods, but it was also partly due to a changed attitude among both men and women.

Before the days of easy transport and general education, those women who worked for a wage entered whatever occupation might be available in their own locality, and the numbers so doing were greatest when the wages of men were low. The developments of last century did much to clear away two sets of barriers which formerly kept people "in their place," the geographical and the social and intellectual. Cheap and swift transport, of both persons and letters, made it easy to move about without breaking all family ties. In many ways the whole country is "smaller" than a single county was a hundred years ago ; and a country girl who then took service a dozen miles from home often cut herself off from her people more than if she entered a London office to-day. Also, owing to general education, there are now fewer girls who are obviously only fit for one kind of work, while they and their parents and friends are more inclined than in the past to weigh the amenities and social position of one kind of work with another. Moreover, any improvement in the earnings of male labourers makes it more possible for their daughters to pick and choose in the matter of employment, and for their wives to remain at home the greater part of the year to attend to the needs of their family.

It is desirable here to group farm work for women into two very different classes. It has at no time been customary in this country to employ women for ploughing and other work with horses or machinery. Consequently, such "field work" on an arable farm as is at all frequently done by women, such as weeding, and potato and root lifting, is unskilled or very nearly so, and involves the minimum of responsibility ; moreover, most of it is seasonal.

On the other hand, the care of poultry, pigs, and calves, and dairy work is skilled and responsible work which is, on many farms, in the hands of women. Altogether, it would involve a much less sweeping change of custom for women to take over the sole care of

stock, except sheep, than for them to do any but quite subordinate work on field crops.

During the war considerable numbers of women went "on the land" as a form of war service. "Special services like the Land Army and the National Land Service Corps . . . introduced for the first time in agriculture the permanent imported full-time worker in any large numbers."¹ The majority of these "Land Girls," or "Land Ladies," were employed, as women had been in the past, either on unskilled field work or on more skilled dairy work and work with the smaller live stock; in some cases, however, women took full charge of milking herds, and a few were employed on such essentially men's work as thatching, and work with horses and tractors. There were some cases of shepherdesses, but these were very rare. This may seem strange in view of the practice in some other countries and in England in the past, but the characteristic duties of the shepherdess of watching sheep while grazing, and keeping them in the right meadows, are unnecessary in the enclosed English country side of the present day, and the work remaining is much more arduous.

The history of the placing of these women on the land is given in outline in the following paragraphs, reprinted from the chapter on Women Workers in Agriculture, by Miss E. N. Thomas, D.Sc., F.L.S., in the Third Interim Report of the British Association on the Replacement of Men by Women (*Industry and Finance*, 1917)—

During the first months of the war the introduction of women to replace withdrawals from the normal labour on the land was carried on slowly by a few voluntary organizations and through the ordinary routine of the Labour Exchanges. In 1915, however, a movement was set going, at the instigation of the Board of Agriculture, for the formation of Women's War Agricultural Committees or Farm Labour Committees throughout England and Wales, under the auspices of the Board of Trade. By the end of 1916 they had been established in most counties, and were visited and encouraged by women agricultural officers of the Board of Trade, and by the sole woman officer of the Board of Agriculture at that time appointed. The Committees, which varied somewhat in constitution, etc., appointed representatives in every district, the local representative being known as a village registrar. The registrars, who endeavoured to encourage and register offers of local labour, worked under the District Representative, sometimes also with a District

¹ Report of Sub-Committee appointed to consider the Employment of Women in Agriculture in England and Wales: Published in 1919 for the Board of Agriculture and Fisheries, by His Majesty's Stationery Office; 1s. 6d. net.

Committee. Towards the close of 1916 there were 4,000 registrars and some 1,000 district representatives, and thousands of public meetings had been held for the purpose of convincing the farmer and the village woman of the necessity of using her labour on the land.

In the spring of 1916, the colleges, in particular of the University of London, co-operated with the Board of Trade to organize some hundreds of university women for vacation work on the land for periods varying from three weeks to three months.¹ The work of organizing the labour and equipping the gangs fell on the University Committee, while the Board of Trade secured and guaranteed work and accommodation. The result of this movement² was very encouraging, particularly in its missionary aspect. Its effect both on farmers and local women was not inconsiderable, and helped to foster both supply and demand in the employment of women on the land. Both these efforts tended in the direction of additions to seasonal or part-time field workers; but in the meantime the necessity of calling out a body of women willing to serve all the year round and capable of undertaking more skilled work became impressed upon the minds of many, and bore fruit in the foundation of the Women's National Land Service Corps, in February, 1916, and in the Women's Legion, and other organizations.

The desirability of attempting to "train" women in agricultural work—particularly in milking—had been realized at an early stage of the war; and certain Agricultural Colleges and Farm Institutes, some of which had not previously been open to women, instituted short courses for this purpose. At the same time, the County Education Authorities, encouraged and subsidized by the Board of Agriculture, offered scholarships in connection with these courses; and in some enterprising counties special training centres were set up through the Women's War Agricultural Committees by arrangement with farmers, and involving in some cases the establishment of small hostels. This tended to call out the country-bred girl, often of the domestic servant class, and frequently only 16 or 17 years of age. The holders of scholarships were generally required to work in the county for six months after their brief training of four to six weeks, during which time they were maintained as well as given free tuition. Some excellent milkers and farm workers were produced notwithstanding the short training. The Women's Land Service Corps, which also trained in conjunction with the Women's Farm and Garden Union, aimed at attracting the more educated women capable of pioneer work in tackling men's jobs, such as motor ploughing, etc., and of organizing and leading village women.

At the beginning of 1917 a great impetus was given to the movement by the formulation of a scheme for the more extensive recruiting and training of women on a national basis. At the same time, the task of developing and extending the work of the Women's War Agricultural Committees was undertaken wholly by the Board of Agriculture, thus linking their work more closely with that of the County War Agricultural Committees,³ which worked under the auspices of the Board of Agriculture, and upon whose Executives had been conferred very wide statutory powers.

In March, 1917, the energies of the women's organization became concentrated on the effort to secure for the land a permanent body of women who should undertake service for the duration of the war under semi-military conditions of mobilizing, etc., and be guaranteed to the farmer as strong and medically fit, having been in all cases selected with considerable care, and, when necessary, trained in farm work for at least a month.

The scheme was launched under National Service, the actual work of receiving applications and calling up volunteers being carried out by the Ministry of Labour; but the selection, training, and placing of National

¹ Similar work on a smaller scale had been carried out by University women in 1915 in co-operation with various organisations.

² Report of the Vacational Land Workers and Fruit Pickers, 1916.

³ Composed almost entirely of men.

Service volunteers for the land was in the hands of the Women's War Agricultural Committees¹ and the officers of the Board of Agriculture, with the co-operation of officers of the Ministry of Labour.

Many farmers were very appreciative of the work done, some being undoubtedly surprised that the women did so well. "Were it not for help from the Women's War Agricultural Committee we could not have carried on. They are doing a great work, and I am training their girls both for milking and farm work"; "Very pleased with Land Army girls, good willing workers"; "The National Service Land Women are making themselves of great service in this district"; "I am using women in place of men, and find them very good and thorough at their work," are typical comments made in the spring of 1918. It may be hoped that the experience of employing educated women has converted some farmers who held the view that "too much education" for the workers is a curse; in fact, one Scottish farmer who had taken on through the Employment Exchange a high school girl of 18 years of age, wrote appreciatively of her services, and added: "It is a fallacy in my opinion to think education is a drawback to girls employed on farm work."

Women were not, of course, the only substitute workers employed on the land during the war. Both soldiers and prisoners of war gave very valuable service. One farmer compared the work of women and soldiers as follows: "I find girls very willing, but too weak on the whole; soldiers, not near so willing, but stronger"; while another said: "If it was not for the women's labour, I do not know what we should do, they are far better than the soldiers we have." However, the criticism of the soldiers implied in these statements was not general; and the additional women drawn into regular work on the land were only about a third as numerous as the soldiers employed, who were undoubtedly the most important single source of substitute labour of a permanent type.

War experience did much to remove any popular distaste for agricultural work as rough or unclean, and in so far as it offers any degree of responsibility and independence, it appears that there will be many women inclined to undertake it in future. This does not mean, however, that there will be an abundance of "farm servants" (for farms share the servant problem, perhaps in an

¹ Working through Special Sub-Committees.

aggravated form) or of women willing to undertake casual and unskilled duties, except possibly during a vacation from other pursuits. Many of the women employed during the war did not desire to remain permanently in the work, so that to them it was immaterial whether or not it "led to anything," but in time of peace this is a most important consideration. In so far, however, as farmers and landowners are willing to engage women to take charge of a department, or with the prospect of ultimately taking charge of a department, suitable women will probably be available.

On a farm which is too small to be departmentalized, women of the kind who want a "career," (who are certainly becoming more numerous) are only likely to work permanently if they feel that they have some kind of partnership in the concern. Apart from farms held by women, such cases are not at all likely to occur in any appreciable numbers, except where the woman in question is a relative of the occupier.

The scarcity of hired labour during the war, and its high price since, have led many farmers and their families to do as large a part as possible of the work of the farm themselves, and the daughters are very much more likely to be contented to remain if they are given some definite responsibility. A wise father will sometimes say: "I bought the geese for her, to give her something of her own"; or, "We call the calves hers."

Many women are certainly much attracted by an out-of-door life, and by work among animals. The fall in numbers before the war, in so far as it did not result from their services being rendered unnecessary by mechanical means, was due to their being repelled, not so much by the hard physical labour involved, as by other aspects of the position of a woman farm worker. The numbers of women permanently attracted to the land is likely to be greater in the future than in the past, in so far, and only in so far, as the new dignity in popular estimation, which farm work for women has gained from the war, is accompanied by a new inclination to give them real and acknowledged responsibility, whether as deputies or partners.

CHAPTER VIII

THE TRANSPORT SERVICES

BOTH the most conspicuous and the most direct replacement of men by women on a large scale on work in which women were never previously employed took place in the transport services. Except for the staff of railway hotels and refreshment rooms, and a few other workers of a domestic type, such as carriage cleaners, practically the only women employed before the war were clerks, and even these were few in number. The total change in numbers during and since the war is shown in the following table—

TABLE VIII
EMPLOYMENT IN THE TRANSPORT SERVICES

	MALES.			FEMALES.		
	Numbers Employed in			Numbers Employed in		
	July, 1914.	Nov., 1918	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.
Municipal Tramways	57,000	37,000	70,000	1,200	19,000	3,200
Other Tramways and Omnibus Services	36,000	22,000	46,000	400	9,300	2,700
Railways	680,000	546,000	781,000	12,000	66,000	26,000
Other Transport ¹ (including Public Carriers)	305,000	180,000	254,000	4,600	21,000	11,000
TOTAL TRANSPORT¹	1,061,000	785,000	1,151,000	18,000	115,000	46,000

In the tramway and omnibus services, municipal and private, by far the larger part of the women drawn in were employed as conductors. By the end of the war, one city employed more than 1,200 female and only 8 male conductors. Apparently no women were employed as omnibus drivers, and the cases of women tram drivers were relatively few. They would probably have increased if the war had continued. It was reported from Glasgow in 1917 that 6 per cent. of the drivers were women ; by 1918 the percentage had increased to 19, and many more women were being trained for the work. Stress was laid on the necessity for careful selection, as only women who were exceptionally strong in nerve and muscle were competent to do the work. The increased proportion, however,

¹ Except work at Docks, where the number of females is insignificant.

employed at the end of twelve months in one city trying the experiment, indicates that the selection had been successful. It seemed as though the non-employment of women was partly a matter of prejudice, as towns which began to employ them in this capacity continued to do so. Just over 700 women were employed on this work at the end of the war.

Reports as to the success of women as conductors varied from town to town. And it was difficult, when women had almost entirely replaced men, to obtain any estimate of their comparative efficiency. It was generally said that the best of the women were as good as any of the men, but on the whole the reports were unfavourable. This was, in many cases, partly due to the pressure of war conditions. In some places women had to cope with unusually heavy work, either because munition works had greatly increased the number of passengers at certain times of the day, or because fewer trams were running owing to the difficulty of carrying out repairs. Further, it was impossible, as the shortage of labour grew, to get any great choice of applicants; in one town in which there were many complaints it was said that the men had been carefully chosen before the war, but it was impossible to choose the women with equal care. Finally, some of the dissatisfaction was due to the inexperience of the women; in some towns the work was so exacting because of "split" turns that the total hours away from home were excessive, and as a result few women would stay at the work. In one place it was estimated that on the average women tram conductors changed their work three times a year.

Whatever the cause, it cannot be claimed that on the whole the women were successful. Yet it appears that slight readjustments would bring such work in peace time well within their scope. Women who continued on the work, in spite of war time difficulties, were often very good at it, and though it has not been possible to discover how far the complaints of carelessness, bad time-keeping, shortages, and so forth, arose on account of women who were only "trying their hand" at the work, it is perhaps fair to assume that the large proportion of such women sometimes gave an impression of general unfitness for the work which was not justified.

Even before the signing of the Armistice there was a slight fall in the women employed on some tramways, owing to the return

from the Forces of partially disabled men. After November, 1918, the fall was rapid, and there are now practically no women remaining except in office work.

It is possible to analyze the work done by women employed by railway companies in July, 1914, and July, 1918, as in the following table—

TABLE IX
NUMBERS OF FEMALES EMPLOYED BY RAILWAYS IN VARIOUS OCCUPATIONS

	July, 1914.	July, 1918.
Booking Clerks	152	3,612
Telegraph and Telephone Operators and other Clerks	2,800	20,995
Ticket Collectors	—	1,972
Carriage Cleaners	214	4,603
Engine Cleaners	—	3,065
Porters and Checkers	3	9,980
Workshop Labourers	43	2,547
Other Labourers	420	580
Cooks, Waitresses, Attendants on Stations and Trains	1,239	3,641
Signal and Points Women, Gate-keepers, Guards and Conductors	437	1,292
Munitions Machinists and Gaugers	44	1,082
Painters and Cleaners (including Charwomen)	698	1,177
TOTAL (including occupations not separately specified).	12,423	65,887

The total numbers of males and females taken together on the clerical staff of railways was greater at the end than at the outbreak of war. The numbers on the "wages" or transport staff, however, fell somewhat, not much more than a third of the loss in males being made good by a gain in females. The female staff of railway workshops was increased by about 5,500, but most of these were employed on munition work.

On the London railways alone, so many women were drawn in that, in spite of an exceptionally high rate of enlistment, the total numbers of persons employed in all departments actually rose; the rise was confined to the Tubes, but this more than counter-balanced the very slight fall on other lines.

It was reported that, on the whole, the women's work on railways

was satisfactory, though in some cases it was necessary to employ three women in place of two men, especially on heavy manual work. Female goods porters had sometimes to receive assistance in the handling of heavy articles.

The fall in the employment of women after the signing of the Armistice was more gradual on railways than on tramways, perhaps owing to the increased demand for labour resulting on the shortened working day, but here also the numbers of women now employed on other than clerical (or domestic) work are very small indeed.

The increase during the war in the practice of employing women as motor drivers for trade, professional, and private purposes, is not covered in Table VIII, unless they worked for concerns such as public carriers, whose main business was transport. But it is especially worthy of notice in that, though the numbers so employed have fallen since the Armistice, they are still considerable. This is a form of work which women entered practically for the first time as a direct result of the war, and in which some seem likely to be permanently engaged.

CHAPTER IX

CLERICAL AND ADMINISTRATIVE WORK

AT first sight the great increase in the numbers of females employed in clerical work of all kinds appears to be one of the most permanent and far-reaching effects of the war in the field of employment. Since, however, even before 1914, the number of women and girls engaged in work of this kind was growing rapidly, the war probably did little more than hasten a natural process. It appears from the Population Census that the number of female clerks just about doubled between 1901 and 1911, and had trebled in the previous ten years. In the occupations shown in the following table, the great majority of the women employed are clerks—

TABLE X
NUMBERS OF FEMALES IN FIELDS OF EMPLOYMENT IN WHICH THE
GREAT MAJORITY ARE CLERKS

TRADE GROUP.	Numbers Employed in		
	July, 1914.	Nov., 1918.	July, 1920.
Banking	1,500	40,000	31,000
Insurance	7,000	32,000	22,000
Stockbroking	1,000	2,600	2,900
The Employ of Solicitors, Accountants, and other Professional Men	18,000	40,000	39,000
The Post Office	61,000	121,000	67,000
Other Civil Service	5,000	107,000	54,000
TOTAL	<u>93,500</u>	<u>342,600</u>	<u>215,900</u>

Figures are also available to show that in the railway service the number of female booking clerks increased during the war from 150 to 3,600, and that of other female clerks, including telephone and telegraph operators, from 2,800 to 21,000, but the extent of the drop since the Armistice cannot be given.

No exact information as to the change in the number of women and girl clerks employed by business houses is available, since these

are not separated from other workers in the figures for the several industrial and commercial trades. If a very rough estimate of these is added to the above figures it appears that the total number of female clerks of all kinds was somewhere about 250,000 before the war, 650,000 at the Armistice, and 400,000 in July, 1920.

These figures include, of course, some women who were engaged on work better described as administrative or professional than clerical. But in most fields two causes operated to limit the numbers of women rising to the higher positions. In the first place administrative responsibility of a high order is usually undertaken after more years of business experience than was represented even by the whole period of the war, while responsible professional duties, *recognized as such*, as, for instance, those of an accountant, can as a rule only be undertaken by persons who have spent years in qualifying for admission to the several professions. It is necessary, however, to limit this statement by saying that much work of a high order was, in the emergency conditions of the war, done by persons without the usual amount of experience or technical qualification, but this was effected rather by "dilution" of qualified by less qualified workers than by direct substitution. Further, a very large proportion of those women who were suited by character and general education for especially responsible work, and were in a position to face the likelihood of a period of unemployment after the war, were attracted by the patriotic and philanthropic appeal of work directly for the armies at home or abroad, and other duties of a purely emergency character. The highly responsible work in these fields done by women is a proof that some women, at least, are capable of carrying through important enterprises in the world of affairs; but it did not greatly influence the share in carrying on the normal business of the country entrusted to women.

The cases of women entering industry or commerce in any such capacity as manager of a department appear to have been practically confined to trades where the great majority of the workers are women, as, for instance, laundry work, and retail business, where some women replaced their husbands or brothers. Still, there is no doubt that the war has resulted in a very considerable increase in the number of women holding relatively responsible and well-paid posts, and the demand for suitable well-trained

women for such work did not cease with the Armistice, and in 1920 actually seems to have increased. These posts usually take the form of responsible secretaryships ; that is to say, the worker is nominally the personal assistant to some leading member of the firm, but she is as responsible as a personal assistant can be, and her salary compares very well with that of most other professional women. The form which this development has taken is partly the result of the employment of women shorthand typists in the past by many firms whose staff was otherwise entirely masculine, combined with the war development in the direction of dilution rather than substitution. It also appears that, whether by nature or training, a woman often accepts more happily than a man of equal ability the position of an intelligent subordinate ; certainly the business world, rightly or wrongly, takes for granted that this is the case.

The position of women in the Civil Service is not essentially very different from that in the world of business. The numbers on subordinate work increased very greatly during the war, the numbers taken on for work of a kind normally undertaken by a man in the " First Division " were few, except in emergency departments. There are, of course, departments, mainly those carrying out functions of administration or inspection in directions touching the lives of women and children, which employed considerable numbers of women of this type before the war, but in these the war did not materially alter the position. On the whole, the work during the war, inside and outside Government service, may be divided into emergency work in which considerable numbers of responsible women were temporarily engaged, and the normal work of the country, in which, in spite of individual cases to the contrary, only the relatively subordinate ranks were freely reinforced by women. Even a single case may, however, mark a permanent advance, and it is worth noting that the Board of Education has recently appointed a woman as one of the two assistant secretaries of the Universities Branch. This is at present only acknowledged as an " acting " position, the salary of the holder (one of the senior women staff inspectors of the department) being increased by an " allowance," which brings it to £800-£850, while her male colleague is on the scale £850-£1,000. This appointment marks a step on, since the position was previously held by

a man, and the only other administrative¹ posts comparable in standing to this previously held by women in permanent departments of the Civil Service have been in departments with a "women's side" to the work.

The future of women in business depends on the policy of very many firms, and time only can show definitely how far business habit has on the whole altered in this matter, but employment under Government is largely subject to general policy. In the past the conditions of "established" service have been to some extent uniform in many departments, and a few months before the end of the war the Treasury, "as the result of recommendations made by the Conciliation and Arbitration Board for Government Employees and the Select Committee on National Expenditure as to the desirability of making uniform the rate of pay for the temporary staff in Government Departments," the numbers of whom had very greatly increased owing to war conditions, "decided to fix standard rates of remuneration, inclusive of both overtime and war bonus, for the principal classes of temporary employees in London headquarters offices."

The rates thus established applied to five grades of male and female clerks, whose duties were so defined as to suggest that the status of men and women is the same, grade for grade, though the salaries of the men are roughly 50 per cent. higher. In the case of officers superior to these clerical grades, the Treasury distinguished between "exceptional cases" and "the majority." For the majority rates are laid down giving men a greater advantage than the 50 per cent. characteristic of the clerical grades, and as, moreover, the men are called "Administrative Officers" and the women "Junior Administrative Assistants," it appears that some difference in status, and presumably in responsibility, is intended. "Exceptional cases" whether of men or women, are to be paid "according to their qualifications in each case," subject, of course, to Treasury approval.

The National (Whitley) Council for the Administrative and

¹ Among the senior medical officers of the Ministry of Health one is now (1920) a woman, out of five; while among the 34 other medical officers of that Department five are women. These women are paid the same as the men (Senior Medical Officers, £1,200-£1,500; Medical Officers, £700-£1,200), presumably because the medical profession has a tradition of equality, since the women inspectors and administrative and clerical officers in this, as in most other departments, are paid less than the men.

Legal Departments of the Home Civil Service was set up in the summer of 1919. At its second meeting (on 14th October, 1919) it was resolved : " That a special committee be appointed to consider the scope of the duties at present allotted to the Clerical Classes in the Civil Service ; to report on the organization most appropriate to secure the effective performance of these duties ; and to make recommendations as to scales of salary and method of recruitment."

Among the subjects upon which this committee reported, the recruitment and status of women was avowedly one of the most important. The chief passages on this subject in the Report (dated 17th February, 1920) are as follows—

In considering the question of the employment of women in the Civil Service, it must be noted that Parliament has laid down the principle that a person shall not be disqualified on grounds of sex from the exercise of any public function. We appreciate that it is not possible at this stage to attempt a final solution of the novel and complex problems involved in the employment of women, side by side with men, throughout the several classes of a graded service of the Crown. We are by common consent breaking new ground. But it has been our earnest endeavour, while realizing that we are working in a field of strictly limited experience, to ensure that the opportunities afforded to women of proving their fitness to discharge the higher administrative duties of the Civil Service shall be full and liberal. . . .

We are agreed that within the parallel classes of the Civil Service women should be given a status and authority identical with that accorded to men. Further, whilst we propose that during the experimental period there should be separate Establishment Lists for men and for women within each class of the Civil Service, and that promotion for men and for women should proceed separately as vacancies occur in the higher establishment reserved for either sex, we are of opinion that the principles of training and of promotion that we have recommended for men should be applied equally to the parallel women classes, and that it should be the duty of Departments, under the general guidance of the Establishments Department of the Treasury, to see to it that women are regarded as available for employment on the same work as men within the several classes, and that women are given the widest opportunities of proving their administrative capacity. . . .

We are agreed that, in the case of the Clerical Class, we are no longer in the experimental sphere. Experience has established that women are fully capable of discharging the clerical work of the Civil Service ; and we recommend that women should be recruited to the Clerical Class proposed by us by the method of open competition by written examination. The higher examination age limit required for girls (16½–17½) as compared with boys, together with the need for a separate seniority list, makes it necessary that young women who are candidates for entry to this class should be recruited by a separate examination, though the subject-matter of the examination should be of the same standard as that prescribed for male candidates.

With regard, however, to the recruitment of the Administrative and Executive Classes, hereafter proposed, the Official Side, while desiring to retain for men the method of open competition by written examination, advocates, in the case of women, at the present stage, a system of selection by impartial and authoritative Boards. The Staff Side attaches great

importance to the principle of recruitment by open, competitive, written examination, and is prepared to assent to selection by Boards only on the condition that the question of recruitment will be reviewed by the National Council within a period of five years.

The rates of salary which the report goes on to recommend may be roughly summed up as being equal for each sex under the age of about 22 years, and anything up to a third higher for men than for women after that age. This inequality is less than that existing in the temporary grades, and it is clearly not intended that the difference in salary shall imply any difference in status.

Although these recommendations do not as yet suggest that each post shall be open to men and women equally, they represent for most departments a very great improvement in the position of women. Moreover, the increasing importance of the share of women in the work of the various departments has been acknowledged by the appointment of the Hon. Maude Laurence (the Chief Woman Inspector of the Board of Education) to the Treasury, to hold the newly created office of Director of Women Establishments at a salary of £1,200.

It appears likely that within a few years the method of entry into the Service may be made identical for men and women, and it is possible that then the "parallel" but distinct classes may be merged and the principle that a person "shall not be disqualified on grounds of sex from the exercise of any public function," thus exactly carried out in the Civil Service.

CHAPTER X

THE TEACHING PROFESSION

THE figures available showing the change during and since the war in the numbers of men and women respectively in the teaching profession cover only those employed under local authorities; these are, however, rather more than two-thirds of the whole number in the profession, about the same proportion of each sex being so employed.

TABLE XI
NUMBER OF TEACHERS EMPLOYED UNDER LOCAL AUTHORITIES

MALES.			FEMALES.		
July, 1914.	Nov., 1918.	July, 1920.	July, 1914.	Nov., 1918.	July, 1920.
53,000	33,000	50,000	142,000	154,000	149,000

During the war considerable numbers of women as well as of men teachers temporarily left their profession for war service, while a much diminished proportion of the women leaving college became teachers. Nevertheless, on women teachers fell a considerably increased share of the educational work of the country, which was accomplished partly by carrying on many schools with reduced staffs and partly by the return of married and other retired teachers.

In most English schools, except those for very young children, the sex of the teacher is the same as the sex of the pupil; in mixed and co-educational schools, the majority of which are municipal and county day schools, the teachers of the senior and middle forms are, as a rule, divided roughly in the same proportion as the scholars. During the war the proportion of women in mixed and co-educational schools increased; while schools for boys only, which previously had, as a rule, no mistresses at all, except for the very little boys in some preparatory schools, introduced one or two into the staff in many cases. Probably the majority of secondary day schools and

grammar schools, and also of preparatory schools (day and boarding) had one or more mistresses by the time of the Armistice. The reputation of the great public schools on the other hand, enabled them to attract men over military age or unfit for service ; though the women introduced into these were relatively few, they were, however, by no means insignificant in number, especially in the schools of smaller or medium size. There was also during the war a considerable increase in the number of women university lecturers, while more than one professor was replaced by a woman during his absence on military service.

It appears that, since November, 1918, most types of school have attempted to return to the pre-war state of things. Women have not, generally, been dismissed except to make room for the individual men whose posts they had been holding, but whenever a place has fallen vacant in a boys' school, or in a mixed school where the proportion of masters had been reduced, it has been filled by a man whenever a suitable male candidate was available. Some preparatory and other private schools are exceptions ; the policy of these, depending as it does on the Head Master, varies more than in schools under a Governing Body or local authority, and successful experience with mistresses appears to have convinced some head masters that it is advisable to go on employing them, especially for such subjects as modern languages, in which women specialize rather more often than men.

Although an attempt has been made in most cases to find suitable male candidates for vacant posts held by men before the war, the attempt was not always successful. Some schools having vacancies in the summer of 1920 held them open until the autumn in the hope of obtaining suitable men, but were ultimately obliged to appoint women, and there are cases of boys' secondary schools where several women have been given permanent appointments.

In university teaching, although the preference is generally given to men, individual women who have proved their ability are in many cases being retained, and there are signs that their chances of promotion are improving. As yet, however, full professorships held by women are so few that it is only possible to say they do exist and nothing more !

CHAPTER XI

TRADE UNIONISM

THE disappearance of women from the novel occupations into which they were brought by the war does not, so far, appear to have been accompanied by their disappearance from trade unions. Whether the phenomenal growth of trade unionism among women during the war is likely to continue, or even whether the number of women unionists will be maintained at its present level, cannot be foretold. But for the moment it would seem that the events of the past few years have bestowed on the women's trade union movement such expansion and vigour as may go far to revolutionize the industrial position of women when the more immediate effects of their response to war demands have died out.

Officials of unions catering for women munition workers admit that they have lost members since the end of the war. This was inevitable. But officials of unions concerned with trades in which a large proportion of women have always been employed feel that the movement towards organization among women is continuing. Ill-organized trades are becoming well organized. It will be seen from Table XII that the increase of female membership of trade unions did not march with the increase of women's employment, since the numbers of women trade unionists grew not only in industries which women were entering, but also in those they were leaving.

It will be seen that the increase in the female membership of unions belonging to the metal trades was surprisingly small. This is due to the fact that the more important of these are "Craft" rather than "Trade" unions, whose membership, implying as it does a certain degree of skill, and therefore a definite standing in the trade, is not lightly granted; few had any women members before the war, and some, including the Amalgamated Society of Engineers, admitted none during the war. When these societies became convinced of the need for combination among women they encouraged their joining the general unions, and a large proportion of the 216,000 women shown as members of these societies

TABLE XII

NUMBER OF FEMALES BELONGING TO TRADE UNIONS AT THE END OF 1914, 1916, AND 1918

	Numbers.			Percentage of Numbers in 1914.	
	1914.	1916.	1918.	1916.	1918.
General Labour Unions .	24,000	79,000	216,000	329	900
Unions of Members of Specified Trades or Crafts ¹ —					
Mines and Quarries . .	—	3,000	10,000	—	—
Metal Trades	2,000	6,000	11,000	300	550
Chemical Trades	—	1,000	2,000	—	—
Textile Trades—					
Cotton	210,000	224,000	260,000	107	124
Textile Dyeing, etc. .	7,000	16,000	23,000	229	329
Other Textile Trades.	36,000	49,000	135,000	136	375
Clothing Trades—					
Tailoring, etc.	15,000	22,000	89,000	147	593
Boots and Shoes	11,000	18,000	28,000	164	255
Food, Drink and Tobacco Trades	3,000	4,000	7,000	133	233
Paper and Printing	8,000	10,000	39,000	125	488
Wood Trades	1,000	1,000	5,000	—	500
Other Industrial Occupations	5,000	12,000	39,000	240	780
Agriculture	—	—	2,000	—	—
Transport—					
Railways	—	18,000	50,000	—	—
Other Transport	1,000	17,000	18,000	1,700	1,800
Clerks and Shop Assistants	20,000	33,000	83,000	165	365
Teachers ²	106,000	107,000	140,000	101	132
The Civil Service and General Municipal Services	23,000	30,000	76,000	130	330
TOTAL	472,000	650,000	1,224,000	138	259

at the end of the war were workers in the metal trades. In the firms visited in London in 1918 it was found that 60 per cent. of the women were members of the National Federation of Women Workers or the National Union of General Workers. In Sheffield it was found that the female membership of two general unions

¹ This classification is in most cases occupational rather than industrial.

² There is apparently some duplication in these figures, as some teachers belong to two Associations.

had grown from 400 in 1914 to 9,000 in 1918. The increase shown in the table in the female membership of the unions associated with the metal trades is accounted for by some few mixed unions and one union for women only which came into existence during the war, namely, the Society of Women Welders, which, at the end of the war, had a membership of 800 women.

As the figures clearly show, the very powerful unions of the "Triple Alliance" did not share the policy of the Amalgamated Society of Engineers. By the end of the war the small number of women employed at mines and the very considerable number of women employed on railways belonged for the most part to their respective unions, and also a high proportion of other women transport workers.

In some other trades in which women's labour did not increase during the war, some explanation is needed of the important increase in the female membership of trade unions.

The clothing trades, other than boot and shoe, lost 66,000 women workers, the cotton trade an equal number, during the war. But 67,000 women joined unions in the first, 36,000 in the second, before the end of 1918. Put in the form of percentages, the change is even more striking. In the clothing trades less than 4 per cent. of the women were organized before the war; by the time it ended 18 per cent. were organized. In the cotton trade, where trade unionism among women had always been strong, 54 per cent. were organized before the war, and 71 per cent. at the end of 1918.

The impetus given during the war to the organization of women was not contingent solely on a growth of numbers; it worked where numbers declined as well as where they grew. It seems, therefore, that there may be causes at work which are not ephemeral.

It has already been stated that the increase in the membership of trade unions was not great until after 1916. Indeed, in the early years of the war, though vigorous efforts were being made to organize women, there was much depression among trade union officials. They had seen that the new employment of women, bringing them together in numbers hitherto unknown, and bringing them into contact with men and their tradition of trade unionism, offered exceptional opportunities. But the women appeared apathetic. Again and again the officials complained that women made bad unionists. Men and women organizers alike deplored

the slowness with which women joined the unions, the speed with which they left them. They attributed the lack of interest taken by women in trade unionism to various causes—

1. In some districts it was apparently for a time not considered the correct thing, or even entirely respectable, for women to join unions. The men would discourage women from joining, and tell them it was all very well for men to become members, but that it was unsuitable for women. This complaint was, of course, characteristic of some localities only.

2. Some employers opposed women joining the unions. It was reported, especially from engineering shops in London, that employers liked women better than men because they were more "amenable." But this amenableness tended to disappear if the women joined the unions. One account was given of a wood-cutting shop in London in which "at first the men and women worked together, and the women came too much under the men's influence; they refused to work for the wage offered them and were continually limiting the output. All these girls were discharged; another shop was opened into which girls were put separately under men tool-setters, etc.; ever since they have been perfectly contented and the arrangements have been of great advantage to the firm." It was evident that when the employer was "up against" the unions, he would do what he could in engaging fresh labour to secure non-union labour. And women, being new to trade unionism, might acquiesce more readily than men in any opposition to the union.

3. Women left industry when they married, and, consequently, left the unions also. As a result they were not much concerned as to their future in the industry, and did not care to exert themselves to improve their position.

4. In mixed unions it was sometimes said that women's interests were neglected. Men, being more permanent members, generally got the chief control of the unions. Women seldom filled important administrative posts, even in industries in which the bulk of the workpeople were women. Consequently, no one represented the women's case in the unions, and the women did not see the point of joining societies which did not seem to secure great advantages for them. Some of the men officials declared that it was extremely difficult to find women willing to fill responsible administrative

posts in the unions, even if they were specially reserved for them, and said that the women were to blame if their interests were neglected.

How was it that during the last 18 months of the war these difficulties were apparently overcome, and trade union officials passed from a condition of depression about women's trade unionism to one of optimism? To some extent no doubt they began to reap the fruits of their earlier labours. Mass production fostered a spirit of comradeship among the women. Contact with men unionists had its effect, especially when men, frankly alarmed at the entry into their trades of a large quantity of unorganized labour, began to urge women to join such unions as were open to them.

Men speedily ceased to throw cold water on women joining unions, and gave them every encouragement to do so. In many instances it was said that the men almost forced the women to join. They recognized the importance of doing anything that would keep up women's rates of pay and give them representatives with whom the men's officials could confer.

Employers recognized this advantage also. Many of them found in the long run that they did not avoid difficulties with their workers because they were not trade unionists. One employer said: "I would rather deal with the trade union official, aggressive as he is, than with a babel of workers." In a large munitions factory in Leeds the management urged the women to organize. There was, in 1917, a sudden strike amongst the women. It was said that they did not know what they were striking about, and the management suggested to them that they should call in a trade union official and join a union, so that the next time they went on strike they should be able to give a reason for their action. A room was placed at their disposal for the purpose and a considerable number of women joined the union.

Of course, there were to the end employers who were bitterly opposed to the unions, as there had been from the beginning employers who were in their favour, but towards the end of the war the number of the former decreased, while the latter increased.

This change in the attitude of men and employers towards the organization of women had, no doubt, a great effect. The men

wished the women to acquire a standard of wages and conditions, the employers wished them to become articulate. Further, since compacts concerning dilution were continually being made between associations of employers and employed, it became increasingly desirable that the numbers of those concerned should be known, and that they should, as far as possible, be made parties to the contract. The greater part of the women employed on the trams in certain cities, for instance, became members of the men's unions, conditions as to their work and their tenure being laid down by the unions in agreement with the employers, and accepted by the women. These contracts applied to industries in which women were already largely employed but were brought by war necessity into men's work, as well as to those in which few or no women had formerly been occupied.

But, though some of the growth of female trade union membership was due to the pressure of the men and the approval of the employers, more must be attributed to the women themselves. For the first two years of the war changes in women's occupations were so swift that they hardly had time to adjust themselves to their new environment. Separated often from their former work and their former companions, it took them some little time to settle down. Many drifted in and out of different kinds of work before finding any that was really congenial. They looked on war work as in its nature temporary. And for a time difficulties in the way of organizing women due to the shortness of their industrial life were exaggerated by the war. If it was not worth while for a woman to join a union because she would leave her work when she married, it was even less worth while to join one if she did not know whether she would like the work, and if she would certainly leave it when the man whose place she was taking returned. The great restlessness engendered by the peculiar conditions of the early years of war were antagonistic to trade union membership, and more especially to steady membership.

Gradually the influences making for unionism showed themselves far stronger than those against it. A strong sense of corporate life and responsibility sprang up as women found themselves brought together in large numbers. Their genuine interest in their new work, their anxiety to "play fair" to the men whom they were replacing, their growing consciousness that they had an important share in

the industrial activities of the country, made them increasingly willing to join the unions and to take a part in organizing them.

Further, as has already been noted (Chap. I), the swift growth in trade union membership coincided with the time in which, while the demand continued, the supplies of available female labour were becoming exhausted. Towards the end of the war there was real competition for the services of women with industrial experience. Much was said about the value of women's labour. The giving of the suffrage was in some sense a testimony to it. All this was a great help to trade union organization. Women began to take their industrial life seriously ; as a result they joined the unions.

It must be admitted that the competition for women's services, with the high wages resulting from it, enabled the unions to do more for the women than before. Higher wages meant higher and more regular subscriptions to the union funds. A better financial position meant a more powerful association. The effects were cumulative. Women saw that the unions could do much to improve their condition, that they had in this case or that succeeded in raising wages ; consequently they joined the unions in larger numbers. Increased membership and increased funds enabled the unions to do more, women were again encouraged to join, and so the movement went on.

It is impossible to gauge the final effects of the slump in the demands for women's work following on the Armistice. The membership of unions mainly recruited from women engaged on munitions has suffered. The enforcement of the Pre-War Practices Act brought about the dissolution of the Women Welders' Union. But it appears that in industries normally open to women much has been gained. In the clothing trades, for instance, trade union organization appears to be stronger among women than ever before, and important amalgamations are taking place among the different unions.

The recognition of unions by the Government in connection with the Whitley Councils, and the constant repetition of some such statement as that made in the first report on Joint Standing Industrial Councils that "an essential condition of securing a permanent improvement in the relations between employers and employed is that there should be adequate organization on the part of both employers and workpeople," have brought a widespread

sense of the value of trade unionism. In Government reports dealing with industrial unrest, the necessity for calling into council representatives of women's organizations has been emphasized. This, again, has quickened the interest and responsibility of women.

Taking all these things into account, it seems safe to prophesy that among the most permanent effects of the war on women in industry will be the effects on women's associations. Forces promoting unionism have been set moving and will not easily subside. It may prove to be the case that in the end the industrial position of women will be affected more strongly by the impetus given to the trade union movement than by the immediate and striking extent to which they were drawn into new work.

CHAPTER XII

WAGES

THE enquiries of the Research Committee as to women's wages were comparative. A relation was sought between the wages of women and the men whom they replaced. The results were scanty. Yet, since the war seems likely to have permanent effects on wages, as on trade unionism,⁶ it appears worth while to devote some space to correlating information on the matter.

The rise in wages is attributed to three main causes. First, the keen competition for labour drove up the wages which employers were willing to pay. Secondly, the rise in the cost of living made a strong element in the demand for higher wages. Thirdly, where women were doing men's work, the men insisted on good payment for the women so as to safeguard their own interests, while the women naturally demanded the same rate of pay as the men whom they replaced.

Evidence of all three causes is forthcoming. It is the third which is strictly relevant to this report, but some consideration will be given to the others, as no one cause worked alone.

In the early days of the war the check to the demand for goods which women were normally employed in producing, not balanced by an increased demand for their services elsewhere, threw women out of work, and schemes were introduced to find work for them. Such schemes soon became unnecessary; but even then the rise in wages was slow, and for the most part confined to industries subject to an acute war demand. During the last 18 months of war, competition resulted in raising women's wages in all occupations, though more markedly in those they were entering than in those they were leaving. Occupations normally employing many women were forced to put up their payment if they were to retain even a smaller number than before, to meet the competition of those trades which wanted women in greatly increased numbers, but war forces were not at work long enough for this competition to bring about any equality in the rates offered in different occupations. Variations were great. On the one hand, a frantic householder would advertise for a maid in a local paper saying "any

wage offered " ; on the other hand, in the same place a month or two later a factory was discovered in which women were being paid for making blouses at the rate of 6½d. a dozen. This was within the last 18 months of the war. The rate common in the district was 10½d. a dozen. There were many munition works in the same town offering high wages to women and not able to obtain a sufficient supply. Yet women were found willing to work at this low wage because their work did not consist of blouse making alone but was diversified by war work, for which they received better payment from the Government.

Competition became keener as the war continued. But the cost of living rose fairly steadily throughout. It is estimated in the *Labour Gazette* that the retail price of all the items " ordinarily¹ entering into the working class family budget " rose to about 50 per cent. above the pre-war level by August, 1916 ; 110 per cent. above it by August, 1918 ; and by the end of July, 1920, it was 155 per cent. above the level of July, 1914. It was some time before it was generally recognized that a considerable rise in money wages might not compensate for the yet greater rise in prices. But once it was seen that the rise in prices was continuous, there arose in one industry after another the demand that wages should follow that rise. It may be said that in so far as the higher wages only kept pace with higher prices, the rise in wages was nominal and not real. This is true. But the insistence on the cost of living led to a general revision of minimum rates which in many cases raised the real wages, especially of the lowest paid class, above the pre-war standard. Once public attention had been called to the question of what money wages were worth, the public conscience was awakened to the point of insisting that minimum rates should be fixed which should give a real wage above the pre-war standard. The great extension of the number and activities of the Trade Boards

¹ " Ordinarily " is used here as equivalent to " in the years immediately preceding the war." It cannot, of course, be assumed that each separate article is consumed in exactly the same amount at two dates even by families who are living on the same standard of comfort, as commodities are to some extent interchangeable for each other, and, when the price of one article rises more than that of another (or one rises and another falls), a wise housekeeper adjusts the proportion of her various purchases to some extent. Hence, these figures do not measure exactly the change in the " cost of living," if this is interpreted to mean living on the same standard but not necessarily in the same way in every detail as before the war ; they are, however, close enough for the purposes of this chapter.

was the result. It is possible that this movement might have occurred if there had been no war. Yet it seems as though rapidly rising prices went far to focus attention on the matter and to spread the idea of minimum wages adjusted according to the cost of living.

The principle of a minimum living wage has bitten deeply into the public mind; the Ministry of Munitions to some extent acknowledged it as early as October, 1915, when, in Circular L2, it was recommended that women over 18 year of age engaged on men's work should be rated at £1 per week, a rate increased to 24s. a week in May, 1918. These rates applied to women employed on work "customarily done by men"; but not to women completely taking men's places; to the latter the men's rates were to be secured.

The Trade Boards Act, 1918, made the establishment of Trade Boards swifter and easier, and removed the limitation whereby they could only be formed in trades in which wages were at the time exceptionally low as compared with those in other employments. From the passing of the Act it became possible to establish Trade Boards in any trade in which, on account of defective organization, wages are "unduly low." That is, actual and not comparative lowness of wages became a reason for introducing a statutory minimum wage.

Increases in wages under the Trade Boards have recently more than kept pace with the increased cost of living. The following table gives the hourly rates fixed for women workers in the four trades to which the Act of 1909 was applied before the war, with the increases given and those in force by February, 1917, and by February, 1920—

RATE PER HOUR IN

Rates in Force.	Chain Making.	Lace Finishing.	Paper Box Making.	Tailoring.
July, 1914 .	2½d.	2½d.	3d.	3½d.
Feb., 1917 .	2½d.	2½d.	3½d.	4d.
Feb., 1920 .	7½d.	7d.	8d.	8½d.

It is apparent from this table : (1) That it was some time before the increased cost of living was used or found effective as a plea

for raising the rates, for by February, 1917, the cost of living (reckoned on the basis of pre-war consumption) was estimated to be from 65-70 per cent. higher than in July, 1914, and yet the rates fixed by the Trade Boards had not altered at all in two of the cases, and but little in the others. (2) That when the Trade Boards really got to work, increases were given which more than out-ran the increased cost of living, which was estimated as being, in February, 1920, 130 per cent. higher than in July, 1914, while the increased wages were in every case more than 150 per cent. above the pre-war level.

The dilatory action of the Trade Boards and the great rise in rates which they enforced in the later part of and after the war, bear out what has already been said about the slowness of the general rise in wages in the early part of the war and its swiftness during the eighteen months before the Armistice. It should be noticed, however, that the rise in the Trade Board rates was even more rapid when the war had ended than it was before, since by the time of the Armistice they were only from 45 to 58 per cent. above the pre-war level, while the rise in the cost of living was from 120-125 per cent. above it. It is, of course, natural that the help of the Trade Boards should be invoked rather at the end of the war than before it. For so long as the war lasted women in ill-paid trades could seek work elsewhere ; as soon as it ended they were deprived of this alternative and so needed the protection of the Trade Boards.

The competition for women's labour and the rise in the cost of living have been general causes, affecting all industries, though in different degrees. Roughly speaking, it may be said that the first affected the highest, the second the lowest, rates paid to women. This cannot be pressed far. The "war bonus" common to many well- and ill-paid industries was a direct response to the increased cost of living. The raising of minimum rates in ill-paid occupations has often been due to the pressure of competition inducing women to seek better pay elsewhere. Even the rise in the rates fixed by the Trade Boards since the war is probably to some extent an acknowledgment of the fact that, owing to war pressure, women have become accustomed to better rates of pay.

It is at present impossible to give any accurate idea of the level to which women's wages have risen in cases in which they have not

replaced men.¹ Mrs. Barton, in her valuable paper on the Course of Women's Wages, gives some interesting tables on the subject, taking figures from the Wages Census of 1906 and, for later reference, from various other sources, but she shows the impossibility of giving percentage increases, as the earlier figures generally represent average, the later ones minimum, rates.

Such evidence as can be obtained goes to show that in the majority of cases the real wage of women was higher during the latter part of the war than it had been in pre-war days, even when women were not doing men's work. And the Trade Boards, now very numerous, seem to be trying to establish permanently a higher standard of living. How far it will prove possible to maintain this in times of bad trade the future will show.

A great mass of evidence relating to the wages paid to women on men's work has been accumulated.² There has been much legislation, and many trade union agreements on the subject. The issue is seldom clear. On the one side the trade unions were insistent that employers should not be tempted to employ women in men's places when the men returned by finding women's labour cheaper than that of men. On the other, employers protested that they could not pay the same wages to women who were unskilled as to men who were skilled. This difficulty could be overcome by allowing the women to begin at a lower rate than men and approach the men's rate when they had become experienced. A greater difficulty arose when the training needed for a woman to replace a man completely was too long for the exigencies of the war, or when the work was so heavy as to make it impossible for women to be fully efficient substitutes. In these cases subdivision occurred. The interpretation of "Orders" and "Agreements" relating to payment to women doing men's work was, consequently, difficult.

An example of a fairly straightforward kind relating to direct substitution is to be found in the Boot and Shoe Trade. In the boot and shoe industry before the war men had the monopoly of certain operations. By an agreement made in 1915 women were admitted to what had formerly been men's processes, on condition

¹ *Journal*, Royal Statistical Society, July, 1919.

² See especially Report of the Committee on Women in Industry, C.M.D. 35 and Appendices; Summaries of Evidence, etc., C.M.D. 167.

that they received the men's rate of pay after a given period of training. Almost all the processes in the trade are semi-skilled, and no long training is required. Each worker in the factory has command of his or her own machine. Payment is generally by the piece. The agreement was therefore easy to make and easy to keep where these conditions obtained, and the actual weekly earnings of men and women on similar machines were a good test of their relative efficiency. In some instances, especially on light work in the making of children's boots and shoes, women made more in the course of a week than men. On heavy work, however, the women's output was slightly less than that of men, with few exceptions, and their total earnings less also. In so far as the women's weekly wage tended to be less than that of men while men's payment by the piece was the same, the cost to the employer in overhead charges was greater, and the general belief was that because of the greater expense women would not be retained on men's processes at the end of the war.

One trade union official explicitly stated that the agreement had been insisted on by the National Union of Boot and Shoe Operatives with the idea of excluding women as soon as men were available. He said there was "no fear" of the women being kept on men's jobs because of the cost to the employer.

In some factories in the Leeds district, the actual wages obtained by women on men's processes amounted, in 1918, to 36s.-40s. a week with a war bonus of 8s. These figures can only be taken as a rough indication of the amount earned in a district in which the workers were well organized. In many parts of the country, workers in the boot and shoe trade are ill-organized; consequently, the conditions noted above are not of general application.

Other cases can be found of complete replacement. But in few were the unions equally successful in securing precisely the same rates for men and women on similar work. One of the most obvious instances is that of women tram conductors. Here, the work done by women was as a rule the same as that done by men. Sometimes two women would be put on a car in the place of one man until they had learned the work. Sometimes there were such slight differences as in Leeds, where the drivers undertook to move the overhead trolleys when women were conducting, though the work had formerly always been done by the men conductors. But the

work was essentially the same for men and women. In spite of this, there was considerable discrepancy in payment, as may be seen by the following table—

CONDUCTORS' WAGES

	WEEKLY RATE ON ENGAGEMENT	MAXIMUM RATE ATTAINED AT END OF	
DISTRICT A.			
Men	47/8 (27/8 wage, £1 bonus)	52/8 (32/8 wage, £1 bonus)	2½ years
Women	31/8 (27/8 wage, 4/- bonus)	43/8 (27/8 wage, 16/- bonus)	12 months
DISTRICT B.			
Men	42/8 (22/8 wage, £1 bonus)	50/- (30/- wage, £1 bonus)	6 years
Women	35/3 (22/8 wage, 12/9 bonus)	42/9 (30/- wage, 12/9 bonus)	6 years
DISTRICT C.	AT END OF 6 MONTHS' SERVICE		
Men	45/- (25/- wage, £1 bonus)	57/8 (31/8 wage, £1 bonus)	7½ years
Women	37/9 (25/- wage, 12/9 bonus)	44/- (31/8 wage, 12/9 bonus)	7½ years
DISTRICT D.	RATE ON ENGAGEMENT		
Men	51/8	59/10	6 years
Women	32/7	45/8	3 months
DISTRICT E.			
Men	52/8	58/8	Second year
Women	50/-	55/8	Second year

These rates were given for 1918. The National Transport Workers' Federation had done its utmost to secure equal rates, but, as is shown, only in the case of District E did its efforts approach success. It is noted, however, in the Report of the War Cabinet Committee on Women in Industry that in Leicester and on the trams and motor omnibuses of the London combine ("T.O.T.") the women received exactly the same basic rate of wages as the men and also the same war wage.¹

It is obvious from the instances cited above that even when women were doing the same work as men, with no alteration of process, and one woman completely filled the place of one man, almost any variation of payment might be found. In some cases women's substituted labour was very expensive, since they took the place of lads who accepted a learner's wage, while the women would only work for a living wage. In others, the rate paid was equal to, in others lower (at times considerably lower) than that of men whom they were replacing.

Cases of female labour costing more than the pre-war price of male labour, because of the employment of women in the place of boys, became common towards the end of the war. It was noted in the Report for 1916 that some women in engineering were doing work

¹ Page 142, Appendices and Summaries of Evidence.

of a kind on which boys were employed before the war at a wage of 14s. or 15s. a week. The women were paid by the piece, with a minimum of 20s. a week. But nothing was said as to the rate at which boys could be engaged in 1916. In 1918, however, several instances were quoted of firms turning off women at the high wage enforced by the Ministry of Munitions and putting boys in their place. An engineering firm in Liverpool, in 1918, stated that "women would want a living wage straight away; the boys are satisfied with 7s. 6d. a week." In the clothing trade also, complaints were made that it was too expensive to employ women on processes which could be done by boys more cheaply in the course of learning the trade.

Instances of equal payment have already been given, and others can be quoted from the Report of 1916. Cases were then noted in Glasgow of men and women both receiving the following rates per hour in shipyards: as joiners' labourers, 6½d.; as saw mill labourers, 6d.; as yard labourers, 5½d. and 6d.; also of their receiving equal rates of 44s. 6d. a week for inspecting in general engineering shops, with 20 per cent. increase when under premium bonus.

The greater number of cases, however, were of women receiving lower rates of pay for work alleged to be identical with that done by men. It has been seen that this was usual on the tramways. Similar accounts came in from all sides. For instance, in Birmingham, in 1918, a girl replacing a man on gilding, in a gilding and polishing firm, and doing the work better, received from 22s. to 24s. a week, while the man had received 50s. In a firm in Liverpool in the same year a few women were lengthening wires, work which they were said to do "every bit as well as the men," and receiving 25s. a week, while the men received 45s. In a tin works in Liverpool, in which the women's work was said to be equal if not superior to that of the men, the average women's wage was 30s., and the firm had ceased to employ men because they would demand a much higher wage. Many such instances of this kind could be quoted. It would, however, be futile to do so. For, as has already been stated, the mass of substitution occurred during the war either on processes in which it was necessary to employ more than one woman in the place of one man, or on processes in which some form of dilution was introduced, especially the latter.

It may be well at this point to quote a few salient passages from Government documents relating to substitution. Such orders were generally made with a view to safeguarding men's rates.

The Treasury Agreement relates to all trades in which women were employed in the place of men; the other quotations are from Orders, etc., emanating from the Ministry of Munitions, and therefore relate chiefly to the metal and chemical trades—

I. *The Treasury Agreement*, March, 1915.

Provision (5). The relaxation of existing demarcation restrictions or admission of semi-skilled or female labour shall not affect adversely the rates customarily paid for the job. In cases where men who ordinarily do the work are adversely affected thereby, the necessary re-adjustment shall be made so that they can maintain their previous earnings.

II. *Ministry of Munitions, Circular L.2*. October, 1915. (Obligatory on National Factories only, but issued as a recommendation to controlled establishments.)

1. . . . women employed on work customarily done by fully skilled tradesmen . . . shall be paid the time rates of the tradesmen whose work they undertake. Overtime and night shifts and Sunday and holiday allowances payable to men shall also be made to women.

4. Where women are employed on piece-work they shall be paid the same piece-work prices as are customarily paid to men for the job.

5. Where women are engaged on premium bonus systems, the time allowed for a job shall be that customarily allowed to men for the same job, and the earnings of the women shall be calculated on the basis of the man's time-rate.

6. Where the job in question has not hitherto been done on piece-work or premium bonus system in the establishment, the piece-work price, or the time allowed, shall be based on a similar job previously done by men on piece-work or premium bonus system as the case may be.

8. The principle upon which the recommendations proceed is that, on systems of payment by results, equal payment shall be made to women as to the men for an equal amount of work done.

III. *Munitions of War Act*, 1915. *Schedule II*.

5. The relaxation of existing demarcation restrictions or admission of semi-skilled or female labour shall not affect adversely the rates customarily paid for the job. In cases where men who ordinarily do the job are adversely affected thereby, the necessary re-adjustments shall be made so that they can maintain their previous earnings.

IV. *Consolidated Order*. May, 1918. (Statutory Rules and Orders, 1918, No. 546.)

(4) TIME WORKERS

1. Women employed on work customarily done by men shall be paid not less than 6d. per hour, with a minimum of 24s. per week.

2. Women employed on work of a class customarily done by semi-skilled men shall be paid according to the nature of the work and the ability of the women.

3. (a) Women employed on the work customarily done by fully-skilled tradesmen shall in all cases be paid as from commencement the time-rates of the tradesmen whose work they undertake.

(c) Women who undertake part only of the work customarily done by

fully-skilled tradesmen shall serve a probationary period of three months. The wages of such women for this period shall be reckoned as follows—

They shall be rated for a period of four weeks at the time-rate of wages to which they were entitled under these directions when employed on time, and from that rate shall then rise from the beginning of the fifth week until the end of the thirteenth week by equal weekly increases to the district time-rate of the fully skilled tradesman, and shall hereafter be rated at the district time-rate of the tradesman whose work they are in part undertaking.

(d) In any case where it is established to the satisfaction of the Minister that additional cost is being incurred by extra setting up or skilled supervision due to the employment of women in the place of fully skilled tradesmen, the rates payable to women under these directions may, with the sanction of the Minister, be subject, for so long as such additional cost is incurred, to deductions not exceeding 10 per cent., to meet such additional cost. Provided that no woman shall in any case be paid at lower rates than those prescribed by paragraph 1 of these directions.

(B) PAYMENT BY RESULTS

5. The principle upon which the following directions proceed is that, on systems of payment by results, equal payment shall be made to women as to the men for an equal amount of work done.

6. Women employed on piece-work shall be paid the piece-work prices customarily paid for the same or similar work when done by men.

7. Women employed on premium bonus system shall be allowed the time customarily allowed to men for the same or similar work, and their earnings shall be calculated on the basis time-rate used in the case of men.

There are other provisions in the same Order prescribing the rates to be paid to girls under 18. If these Orders are studied, an interesting evolution may be noted. Throughout there runs the principle that the men's rates shall not be adversely affected by those paid to women. (Treasury Agreement (5), Munitions of War Act (5).) Throughout an attempt is made to apply this principle by securing to women the rates paid to men for the same job. (Circular L.2., 1, 4, 5, 6, 8 ; Consolidated Order, 1, 2, 3, 5, 6, 7.) But the history of the difficulties in so doing is indicated by the elaborate character of the Consolidated Order of May, 1918. Endless interpretations of the Treasury Agreement, constant arbitration, enactments of more and more detailed orders filled the years between 1915 and 1918. Some measure of precision was at last obtained. But in the nature of the case the final results were not wholly satisfactory.

On the one hand, to raise women's rates to precisely the same level as those received by men might increase the cost to the employer, since the overhead charges for a given output might be greater for women than for men. On the other hand, the demand that women should receive men's rates and not affect them adversely

could not be disregarded. The payment of "war wages" often gave scope for much discrepancy. By December, 1917, men in the munitions trades had received "war advances" of 20s. and women of 6s. only, under various Government Orders. Later, the disproportion was reduced by an Order in August, 1918, which gave further increases of 3s. 6d. a week to men and 5s. to women. In December, 1918, a further advance of 5s. was made to men and in January, 1919, the same advance was made to women. So that by 1919 the war advances of men amounted to 28s. 6d., and of women to 16s. Men also had a percentage bonus on their earnings.

It is evident, when these advances are compared, that the equality between men's and women's earnings, even when it nominally existed, was apparent rather than real. Pressure was continually brought to bear on the Government to put up the war advances to women to meet those given to men. Both men's and women's trade unions demanded it, and, as has been seen, the Government acceded to the demands to some extent in the last months of the war.

Difficult as it was to prevent men's rates from being "affected adversely" when women were doing men's work, it was yet more difficult to do so in cases in which large scale production gave scope for dilution to an extent which made it impossible to say that each woman was doing a man's work, or even any given part of a man's work. The employment of a very few skilled workers in conjunction with a number of unskilled workers was naturally often cheaper in labour cost for a given output than the employment of a large proportion of skilled workers. The minimum rate of 6d. an hour was designed to meet this difficulty. The settlement of these minimum rates was a delicate matter, and comparison between the cost of new and old systems of production were not easy to make. It may be worth while to repeat here from the Interim Report for 1918 (*Industry and Finance*, Supplementary Volume) an account of the methods of payment adopted by a Leeds firm—

In Firm X dilution had been carried far, and the "company piece-work system" was adopted with interesting results on men's and women's wages. The arrangement made is that the skilled tradesman who is working with one or more unskilled women receives his full standard rate for a normal week; the women are rated at an unskilled workers' wage, which in this particular shop is 5s. above the statutory wage laid down by the Ministry of Munitions. But the work done is reckoned at fully skilled piece rates, and the balance that remains when the rates for the skilled man and the unskilled women

have been subtracted is divided between them according to their respective wages and the hours worked. The manager maintained that it was because of this system, under which no attempt was made to cut piece-rates, that he had had no trouble about the introduction of women into the works or about dilution. He said that the women were well satisfied with the system, and that in one case these women working in partnership with a man gave him an extra 1s. a week apiece, although the man was earning £10 a week. Many of the men were earning high wages, 60 per cent. of them receiving a wage above the Income Tax level.

The Treasury Agreement was followed not only by a series of Government Orders, but also by a number of agreements between associations of employers and employed. "Equal pay for equivalent output" frequently figured in these agreements, sometimes accompanied by a minimum rate below which women's wages must not fall. For instance, in the woollen and worsted trades in Yorkshire, an agreement was made in February, 1916, in which the following clauses appear—

4. That when women are employed to take the place of men, the rate of wages for such women shall be—

(a) If at piece-rates the same as for men, unless women's rates are already established for that class of goods, provided no women shall receive less than the district rate for women.

(b) If at time-rates for day-time work, and one or more women replace an equal number of men, they shall be paid the same rate of wages now being paid to males for an equivalent quantity of work, and in any case not less than four-fifths of the rate previously paid to the men they replace.

(c) If at time-rates for day-time work, and a larger number of women are required to replace a smaller number of men, the aggregate wages paid to the women shall not be less than the aggregate wages paid to the men they replace, and in no case shall the wage paid to an individual woman be less than four-fifths of the wage previously paid to the man replaced.

This quotation, preceded by a clause providing that women replacing men should not continue to be so employed after men became available, and followed by another providing that when shortage of work occurred, women replacing men should be the first to be discharged or suspended if qualified men could be found to do the work, serves as a fair sample of agreements for women's wages in cases in which their output was thought likely to be less than that of men. The arrangement was well adapted to a case in which no alteration of process was anticipated and to one in which it was possible to calculate how many women were being employed in the place of one man. Such estimates were not always easy to make. But in the attempt to make them the principle of equal pay for equivalent output was accepted. Its acceptance in

the worsted industry was especially curious; for it had been customary, where men and women were doing precisely the same work, to pay the women at lower rates, and where customary, the difference was preserved during the war. The following extract is taken from the Report of the War Cabinet Committee—

Exclusive of . . . jobs where women have taken the place of men, if a woman does the same kind of work as a man on a day turn she gets less wages (e.g. wool-combers, men 56s., women 39s. 6d.).¹

But when women did exactly the same work on a night turn, they received the same rates as the men, because they were then doing work from which they were normally precluded by the Factory Acts. The position was anomalous and showed the working of an old custom side by side with a new principle. The facts may be interpreted otherwise. It may be thought that in the case of the day turn men had failed to establish a monopoly; in the case of the night turn they had done so, and that the anxiety to enforce equal pay for the night turn expressed their desire to re-establish their monopoly of night work. But whatever the explanation, the fact that women were paid the same rates as men for wool-combing at night and at different rates for wool-combing by day was significant.

The assumption that women would not produce so great an output as men was frequently reflected in the insistence on equal pay for equivalent output. Where this was the case, apparently the idea of safeguarding the men's rates was being considered. Further provisions of a minimum rate for women, such as that mentioned in the woollen and worsted agreement, that no woman employed on a man's work should have less than four-fifths of his pay, go further. They probably arise from an attempt to safeguard the woman's standard of life and are part of the movement for the establishment of a general minimum.

In some cases it was especially difficult to estimate equivalent output. Agreements in such instances gave a minimum time rate only. In the agreement in the wholesale clothing trade, made in May, 1916, minimum rates were established for women on men's work of from 4d. an hour for workers under 19 to 6d. an hour for

¹ Page 83, Report of Committee on Women in Industry; Appendices, Summaries of Evidence.

those over 20. That these rates were fixed for the purpose of safeguarding men's rates and not in order to secure the accepted adequate minimum for women is shown by the fact that the rate for women on women's processes in the clothing trade was at that time 3½d. an hour. It is evident that where no measurement of equivalent output was made, and the women's time rates were fixed at a rate lower than that of men, considerable uneasiness was likely to be felt by men about the competition of "cheap" labour. No generalization could be made as to whether women's labour was cheap or not in such cases; everything depended on the competence of the women employed.

To sum up. It may be said that during the war there was a great increase in women's wages; that the increase was far greater in the last than in the first years of war; and that towards the end the rise in wages showed, in the case of women, a tendency to outstrip the rise in the cost of living, though it should at the same time be stated that the cases of phenomenally high wages were relatively few. It would seem likely that the level of women's real wages has been raised, and that the minimum subsistence standard for women is higher than it was before the war. But the cases of really high wages paid to women occurred where women were replacing men, or doing work for which there was a great war demand. Few women have retained posts in which high rates are paid; the work for which they received them has in most instances ceased or been taken over by men. For the most part, men have, in various industries, resumed their monopoly of the best paid work; fortunately the women whom they have displaced or who have lost their work owing to the cessation of the war, have, if they took up other work, generally been able to secure wages which, even at the present high cost of living, represent more real wealth than they were accustomed to earn in old days. Whether the change is permanent is matter for present speculation and future proof.

CHAPTER XIII

THE FUTURE POSITION OF WOMEN IN INDUSTRY AND OTHER FIELDS OF EMPLOYMENT

WOMEN entered industry during the war with a dramatic swiftness only equalled by the speed with which they have left it. Enquiries on the subject continually elicit the answer "no women left on men's processes," or "a few women left on men's processes who will soon be displaced by men," or "women were engaged for war work, and that work being ended the women were dismissed." The table given as an inset facing this page proves the significance of the last remark. It shows that in industrial occupations by far the greatest number of the additional women employed entered Group I, in which the number of men increased also. Their employment was in response to a new demand for labour, whether it was the labour of men or women; they were not replacing men but assisting such men as could be found to do the extra work needed. Relatively few entered the industrial occupations in Group II. These industries lost 1,288,000 men and only gained 368,000 women, whereas the first group gained 572,000 men and 582,000 women. Further, there were important industries in Group III which lost altogether not only 323,000 men but 153,000 women. As far as numbers in industry were concerned, the tale was one of additional work done by additional workers rather than of women filling gaps left by men.

Women during the war entered industries which by their very nature could not accommodate them in peace time. So far as this was the case, it was the end of the war and not the return of men which brought unemployment on them. They left industries largely dependent on war demand as men left them, though the women left far more rapidly than the men. It will be seen that, just as the greatest increase in the number of women in industry was coincident with an increase in the number of men, the greatest decrease occurred in the same group and was accompanied by a decrease in the number of men.

When the second group is considered, it will be seen that while

the number of men employed since the Armistice has grown considerably, there has been comparatively little displacement of women. The most noticeable decline in the number of women employed in any industry has been in the engineering trades (other than electrical and marine). These trades are now (1920) employing many more men and women than in pre-war days, but their expansion has not been great enough to absorb all the women who took the place of men during the war. A considerable reduction in the number of women employed in building may also be observed, and almost all the women now left are undoubtedly clerks. Some trades, such as the woollen and worsted, and the sugar-confectionery and jam trades, show an increase in the number of women employed since the Armistice, in spite of the fact that they are employing at least as many men as in pre-war days.

Considering the groups as a whole, Group III alone shows an increase in the number of women employed since the Armistice. This might be expected. Industries losing labour during war re-absorb it during peace. It will be observed that many more men than women have been gathered into these industries since the Armistice. These trades, with few exceptions, have not yet recovered their pre-war strength and may provide much more scope for the employment of both men and women in the future when problems of raw material are solved.

While 797,000 women were added to the number of those in industrial occupations during the war, 871,000 were added to those in non-industrial occupations. This expansion, unlike that in industrial occupations, took place for the most part in work in which the number of men diminished: 1,426,000 men had left non-industrial work and 764,000 women entered it by November, 1918. In some cases, as on the railways and tramways, the employment of women was almost a complete innovation. In others, as in finance, commerce, teaching, and the Post Office, the greater numbers chiefly meant the extension of work to which they were already accustomed. The return of men to this kind of work has been rapid, but many of the additional women are still retained on it. In some instances, as on the railways and tramways, many more men are employed than before the war, but room is still found for more women than were employed in 1914. The same holds good in the case of the Municipal and Post Office services. The increase

of women's employment under the heading of Hotels, Public Houses, Cinemas, Theatres, etc., is entirely accounted for by cinemas, which employ considerably more persons than before the war. It has been pointed out elsewhere that in many of the occupations named the increased employment of women during the war was merely an extension of a movement already begun. Women were entering clerical employment in ever-growing numbers before the war, and the growth would probably have continued in any case.

When all the figures are considered, it seems surprising that the exodus of women from their new work should have been on the whole so silent. It was a great exodus ; but we have little information as to what has happened to the women who took part in it. At first many drew unemployment donation; the number of them doing so rose to 530,000 in March, 1919, a number greater than that of men then drawing the donation, including demobilized soldiers. But in April, 1919, it fell, and in November, 1919, the last month for which figures are available (since the donation to civilians then came to an end), only about 60,000 women were actually receiving unemployment donation or insurance, including some temporarily unemployed owing to the moulders' strike. It has already been shown that, as far as industry proper was concerned, the bulk of new women's labour was drawn into work for which the demand ceased with the war, and also that an exceptionally high proportion of women engaged on munitions were married. Consequently, it may be assumed that a considerable number of these women looked on themselves as temporary workers, and were glad, or at least willing, to go back to their homes and leave their war work when it ended. The additional women drawn into industry must have had some means of support before they entered it. And although some families lost the chief bread-winner during the war and so the continued employment of women was made more important than before, in other cases the return of the men made it unnecessary for their wives to earn. Many employers, only able to retain at the end of the war a small proportion of the women they had taken on, made careful enquiries into individual cases and kept only those women to whom dismissal would mean some special hardship.

On the whole, it seems that remarkably little suffering was caused

by the withdrawal of so large a number of workers. In one way or another, most have found other means of support.

The real problem on which the experience of the war should throw some light is not how women can be maintained without adding to the wealth of the community, but how they can add to that wealth. To those who seek for a solution of this problem the fact that women, from being producers and consumers, have been turned into consumers only without much grumbling, is not a matter of supreme satisfaction. It is true that after the war the need for re-establishing men in industry was so urgent that it was right to restore their places to them with all speed. But the matter cannot rest there. The war has left a grim aftermath. The following table giving the population figures shows a diminution in the number of unmarried and widowed men and an increase of over 600,000 in the number of unmarried and widowed women. There are about 2,000,000 more unmarried and widowed women than men over the age of 10, as compared with a surplus of 1,233,000 in July, 1914.

ESTIMATED FIGURES OF POPULATION OF THE UNITED KINGDOM, 1914 AND 1920

	JULY, 1914.			JULY, 1920.		
	Males.	Females.	Total.	Males.	Females.	Total.
Under 10 years of age	4,837,000	4,804,000	9,641,000	4,475,000	4,330,000	8,805,000 ¹
Over 10 years of age—						
Married	8,168,000	8,321,000	16,489,000	8,795,000	8,940,000	17,735,000
Unmarried and Widowed	9,369,000	10,596,000	19,965,000	9,161,000	11,220,000	20,381,000
TOTAL	22,368,000 ²	23,721,000	46,089,000	22,401,000 ²	24,530,000	46,931,000

Moreover, it must be remembered : (1) That some of the men who have returned are totally disabled, and many are partially disabled, and not so competent as before to carry on the work of the country ; (2) that recent legislation restricting hours of work,

¹ The decrease in the number of children is due to the fall in the birth rate during the war. It is therefore worthy of record that in the fourth quarter of 1919 the number of births was greater than in any fourth quarter of the year since 1908 in England and Wales, and in the first quarter of 1920 more births were recorded than in any quarter since the establishment of civil registration.

This great rise was probably due largely to temporary causes : the births in the first quarter of 1920 were at the annual rate of 39 per 1,000 of the total population, but this fell to 26·6 per 1,000 in the second quarter and 24·2 (provisional estimate) in the third quarter of the year. This last proportion is about that characteristic of the years immediately before the war, but is accompanied by a very low infant mortality rate, the average of the first three quarters of 1920 being only 78 per 1,000, whereas the average of the five years before the war was 100 per 1,000.

² Including men in H.M. Forces, minus the number normally absent or on the high seas before the war.

although it may prove in time to increase the efficiency per head of the workers, has not so far had this result generally ; and (3) that the new Education Act is already keeping some children away from work for a longer period than before, and will in the future take for continued schooling some of the working hours of young employees. Though there can be no doubt that this will ultimately have a beneficial effect on industry, and render the labour resources of the country more competent, it does, for the moment, restrict the supplies of labour.

That is the position. More women unable to marry, many men whose strength or skill has been lost, fewer hours during which either may work, the work of young boys and girls curtailed.

In the face of this, since those who work must keep those who do not, it is pertinent to enquire whether women, more especially unmarried women, are more ready than before to become producers as well as consumers, and whether they will have more facilities than before for doing the work that is so much needed ? The first part of the question is more readily answered than the second. For the most part, women, having learned to exercise their energies, are anxious to continue to do so. Some are war weary ; some with home claims are glad to devote themselves to their families ; some having other opportunities of independence than could be secured by paid work were anxious to "have a good time" when the war ended, and the good time bids fair to be of indefinite duration. But these are exceptions. Having worked, women want to work, and are seeking outlets for their activities.

The second part of the question is not so easily answered. War work ended with the war ; no one could wish for its continuance. But the exclusion of women from other work is a different matter. Some of this work was developed during the war, either, as in the case of aeroplane manufacture, because the goods made were of especial value during war time but would also be valuable in peace time, or because of the growth of work formerly done by other countries from which we were cut off during the war. Some of it was work normally done by men either throughout the country or in particular firms or districts. Women are now for the most part cut off from these new spheres. The work developed during the war is said to be men's work, as are the processes formerly acknowledged as such. The former as well as the latter is covered

by the Restoration of Pre-War Practices Act, August, 1919, except in the very few cases of industries actually new to the country. The first clause reads as follows—

1. (1) Where . . . any rule, practice, or custom obtaining before the war in any industry or branch of industry . . . has, during and in consequence of the present war been departed from, the owner of that establishment shall be under an obligation at the expiration of two months from the passing of this Act, to restore or permit the restoration of the trade practice so previously obtaining, and for one year after such restoration is effected . . . to maintain or permit the continuance of the trade practice.

(2) Where any industry or branch of industry, which before the war was not carried on in an establishment, commenced to be carried on in the establishment during the war and continues to be carried on therein after the termination thereof, or where the establishment is one which commenced to be worked after the beginning of war, the owner of the establishment shall be under the obligation, at the expiration of two months from the passing of this Act, to introduce or permit the introduction of, and for one year after such introduction is effected . . . to maintain, or permit the continuation of such trade practices as obtained before the war in other establishments when that industry or branch was carried on under circumstances most nearly analogous to those of the establishment in question.

It is stated in a later clause that the establishments to which this Act applies are munition works and any other establishments in which the "departure from practice" was a result of the Treasury Agreement.

The Act has been strictly interpreted. It has been strengthened in many cases by the special trade agreements following on the Treasury Agreement. Some of the additional women still employed on new work are there because not enough men have been found willing to take their places; much of the work they are doing is clerical work or mere labouring work, and men have not been anxious to claim their places. Some are still doing new work because the work of the firm in which they were newly employed has expanded sufficiently to keep a considerable number of women on work generally recognized as women's work. In few cases is the industrial work they are still doing in place of skilled men.

There can be no doubt as to the justice of restoring the places of men who went away to do war service. There is doubt as to the justice and advisability of permanently excluding women from work which they have proved themselves able to do. The Pre-War Practices Act applied only for 14 months after it was passed (i.e. until October, 1920). At the end of that period it is for associations of employers and employed to determine how far it is well to place artificial barriers in the way of the employment of women on any

process which they are able to perform without detriment to their health.

Not many women will wish to enter highly skilled occupations preceded by a long period of training. But there is much semi-skilled work—with the increased scale of industrial enterprises there will be more—with which they can help. It is for the trade unions to see that they do so without taking a rate of wages which lowers the standard of life of the men. It is for the employers to see that they do not take on women who are not competent to do the work.

The enquiries have shown that there are not many ordinary industrial processes in which it is possible for a woman to replace a man completely if she is required to do so immediately. Given time, the same time that the man had in learning his job, she can do so on light work. Further, it has been seen that there has been a considerable development of appliances for making heavy work light, beneficial alike to men and women, and giving them more common ground than before.¹ In the face of the great need for labour, it is to be hoped that no stone will be left unturned so to equip industry that it may produce the largest possible quantity of wealth by the employment of as many workers of both sexes as are available, and so to equip the workers that, whether they be men or women, they shall be ready to do the highest type of work for which they are fitted.

There is one other result of the entry of women into industry which should not be entirely passed over. Throughout the investigations much was discovered, and in former reports a good deal was said about what is commonly known as the Welfare Movement.

¹ In the chapter on "Labour Saving Appliances," by Mr. G. S. Taylor, O.B.E., in the Report of the Chief Inspector of Factories and Workshops for the year 1918, it is stated that: "Since 1914 a great increase in the use of various labour and fatigue saving devices has been noted in all classes of factories," and "the advent of women into many industries where their limited physical powers tended to place them at a disadvantage as compared with men," is given as one of the chief causes. The following paragraph from this chapter is especially interesting—

"One very noticeable development which has taken place during the war has been in connection with improvements in hand-trucks, trolleys, carts, and similar appliances used for the transport of materials and articles within factories. The withdrawal of the young and vigorous male labour and the substitution of female labour, as well as the necessity for rapid production of all classes of goods, especially munitions, has forced manufacturers in most trades to discard the old, unwieldy, and inefficient forms of trucks for the more efficient modern appliances which can be so easily handled."

Not only are many employers alive as they never were before to their responsibility for the conditions under which the people in their employ pass the working hours of their lives, but also there has been a remarkable advance in the tendency to enforce by law provision for the comfort of the workers. Orders (known as Welfare Orders) have been made during and since the war (under section 7 (1) of the Police, Factories, etc. [Miscellaneous Provisions] Act of 1916), enforcing in specified trades the provision of such amenities as cloak-rooms, first aid and ambulance arrangements, seats, drinking water, protective clothing, and mess-rooms.

A particularly comprehensive order¹ is that of April, 1920, relating to all laundries using mechanical power and employing more than five persons, and an order has already been drafted on somewhat similar lines covering the whole of the textile group of trades. It seems clear that the extension of these orders to cover all the industries of the country is only a matter of time.

This movement was largely due to the entry of women into the various trades, as is emphasized in the following quotation from the address on "Welfare Work and the Community," given in

¹ The most important clauses of this order are as follows—

(1) The occupier shall provide and maintain in good and clean condition, for the use of all persons employed in processes involving exposure to wet, suitable protective clothing, including waterproof boots or clogs, and also, for persons engaged in sorting soiled linen, suitable overalls or aprons with bibs, and armlets from wrist to elbow.

(2) The occupier shall provide and maintain for the use of all the persons employed suitable accommodation for clothing put off during working hours, with adequate arrangements for drying the clothing if wet.

(3) The occupier shall provide and maintain for the use of all the persons employed and remaining on the premises during the meal intervals a suitable messroom, which shall be furnished with (a) sufficient tables and chairs or benches with back rests, and (b) unless a canteen serving hot meals is provided, adequate means of warming food and boiling water. The messroom shall be sufficiently warmed for use during meal intervals.

(4) The occupier shall provide and maintain for the use of all persons employed suitable facilities for washing, comprising a sufficient supply of clean towels, soap and warm water, adjacent to where the work is done.

(5) The occupier shall provide in readily accessible positions a sufficient number of "First Aid" boxes or cupboards.

Each "First Aid" box or cupboard shall be kept stocked and in good order and shall be placed under the charge of a responsible person, who shall always be readily available.

(6) The occupier shall provide for all female workers whose work is done standing, facilities for sitting so as to enable them to take advantage of any opportunities for resting which may occur in the course of their employment.

(7) The occupier shall provide and maintain at suitable points, conveniently accessible at all times to all persons employed, an adequate supply of wholesome drinking water.

Birmingham on 20th July, 1920, at the Thirty-First Congress of the Royal Sanitary Institute by Miss Anderson, H.M. Principal Lady Inspector of Factories, which also pays a high tribute to its value—

For men and women workers alike, now in industry, a large measure of the indisputably enhanced and growing amenities and humanization of their conditions must be attributed to the substitution of women for men in both munitions and non-munitions factories during the war. The novelty and the apprehended risks of their rapid, large-scale introduction, in workplaces where they had never before been thought of, often led to willing co-operation of employers in hurrying on of fatigue-prevention and labour-saving experiments, arrangements for proper feeding, washing, cloak-room and other personal welfare provisions, under some kind of technical supervision. The success in great measure of their work led, on their departure, to their leaving behind them a fruitful tradition as regards the value of welfare, and they fortunately in many cases took back with them to their former occupations demands for higher standards in the workplace.

It is some satisfaction to know that whatever may be the outcome for the women of their hurried entry into new work, industry itself is the better for it. And if the new standards are maintained it will be easier for women to take their place permanently in such work as they have proved themselves able to cope with.

Improved industrial conditions, a higher level of wages and standard of life, greater enterprise and adaptability, a new trade union spirit ; these things have been gained by women during the war, as well as the vote. The number of new openings secured for them, and the facilities for training made available permanently, cannot yet be known.

PART II
CONCILIATION IN BRITISH
LABOUR, 1914-1921

CHAPTER XIV

THE PROMOTION OF INDUSTRIAL HARMONY

THIS chapter summarizes a discussion held at Manchester in the year 1915 on the means for promoting industrial harmony. It was opened by Professor A. W. Kirkaldy, who said : We have here to-day a representative gathering of many sections of the business and industrial world, together with some professional economists. We are away from the heated atmosphere of party controversy. We are, as it were, basking in the cool pleasaunce of the British Association. We want to get at facts, lay bare the truth, and find out how trouble arises. Possibly as a result of what is said here to-day, we may be able to bring into existence a small but competent representative committee, whose object it will be to study calmly and dispassionately the whole industrial situation and endeavour to agree the broad lines of a policy which may secure the harmonious co-operation of all sections of the industrial army. Surely the last twelve months have cast a lurid light over what friction-gone-mad can accomplish, and we need to realize very clearly that friction-gone-mad in the industrial world may well produce greater calamities and sufferings than have resulted in the international sphere from the tearing up of a "scrap of paper." I am convinced, from what I have seen during many years spent in close touch with industrial England, that this country is threatened by a danger far greater than can come from the German or any other external enemy. Friction has existed in many different spheres, but in its most acute and dangerous form it has manifested itself in the industrial sphere.

The war broke out, and in a marvellous way brought about a national harmony for which few had dared hope. After a year of war, while the great mass of the nation is sound, while the Empire as a whole presents an unbroken front to the enemy, in a way which wins the admiration of the world, and is the despair of the Germano-Austro-Turkish Alliance, there are signs that when once the compelling hand of war is relaxed, friction in an intensified form may break out in the industrial sphere.

It is this possibility of friction and its causes that are our concern here to-day. Can we lay aside prejudices, and dispassionately and calmly estimate the evil, and help to realize its causes? If we can see our way to this, we may be able to suggest measures that may minimize resulting harm, and even point the way to harmony instead of friction. This would enable this country to take full advantage of what promises to be a most remarkable economic situation, and thus repair in a comparatively short time the loss and ravages incidental to this war. In the short time at my disposal, I shall only attempt to draw attention to two points which I believe to be of considerable importance—

1. Is class war a necessity?

2. What is the truth about wages, profits, and dividends?

At the Trade Union Congress held in this city two years ago (1913) two foreign delegates were present. The French delegate, in the course of his address,¹ said: "Between the employers' class and the State on the one hand, and the wage-earners on the other, there is a state of war—of perpetual skirmishes and guerilla engagements, and on every occasion of conflict the stronger for the time being is the victor, while the weaker is overborne in the struggle."

He spoke as though such a state of affairs is necessary and can end only when labour becomes so strong that neither the State nor the employer, nor both together, can hope to impose their will upon the proletariat. To me, this teaching appears to be fundamentally wrong. Unfortunately, class warfare has now been taught for so many years, that it is in danger of being accepted as an eternal and immutable truth. If this be so, we are faced with a very serious situation. But is it true—is it necessary? These are questions we must not answer without pausing to consider the issues entailed. Is it not that the strife is really due to ignorance—an ignorance as profound amongst some employers as amongst some labour men? We have given ourselves up as a nation too much to the worship of what Aristotle called *Chrematistics*—i.e. the love of gain and accumulation—rather than to the study and practice of *Economics*, which means the using of the material world in such wise that every member of the community shall be able to develop his or her capacities naturally and healthily. The rush

¹ This address is printed in full in *Economics and Syndicalism*, by A. W. Kirkaldy, pp. 115-125.

to be rich—a mistaken synonym for happiness and well-being—is a will-o'-the-wisp, which has been luring us on to national decadence. The word *Economics* does not command the attention and respect of some people because it has come to connote to them things that are repugnant to common sense and to our highest interests. But please note carefully that this is not the fault of Economics. It is due to the fact that ignorance exists as to Economics and what it teaches. I know only too well with what contempt some employers and workers are wont to view the teachings and theories of the Economist. Consider some elementary points: surely what is taught on the subject of *Production* should commend itself to the common sense of every thinking man. In order that the producer of wealth may obtain the best results, one of the first requisites is the harmonious co-operation of the factors of production. Friction or suspicion amongst these inevitably lessens the amount produced, for, as we shall see, when we consider salaries and wages, whatever tends to decrease production must decrease the real amounts received as salary or wages. Now it is true that the earlier Economists concentrated their attention to too great an extent upon *Production*—the amount produced being their main consideration. Unfortunately, with the swing of the pendulum, men in touch with practical life have erred almost equally in concentrating their attention on what the Economist calls *Distribution*. Demands are made for a high standard of living, for an increased share to each claimant of what is produced; and the older teachings on *Production* are in danger of being left severely alone.

What seems to me to be required at the present moment is a sane outlook over the industrial sphere as a whole; for what concerns the well-being of the nation is not only that production shall be carried on on right lines and to the fullest extent, but that what is produced shall be equitably distributed amongst those responsible for its production. Nor do these two cover the ground adequately; for not only must commodities or wealth be rightly produced and equitably distributed, but they must be wisely consumed. Thus every section of our industrial army should have correct knowledge on the production, the distribution, and consumption of the wealth for which it is responsible. If you concentrate your attention on either one or two of these, the greatest satisfaction cannot be obtained by the community, because our

economic position can only approach perfection when our wealth is *rightly produced, equitably distributed, and wisely consumed.*

There is, unfortunately, among both employers and employed, a great lack of knowledge on these somewhat elementary subjects. Broadly speaking, among employers there is too great a desire to gain wealth for wealth's sake ; and amongst workers to increase wages, without stopping to consider adequately how the fund is produced from which profits, dividends, and wages are drawn. And when wealth or high wages are obtained there is amongst all ranks of the community too great a tendency towards waste and extravagance, without a thought as to one's responsibility to the nation for a right use of one's resources. In this connection, then, there are two thoughts. I should like to see this section of the British Association consider carefully—

1. Does class warfare lead to a serious diminution in production ?

2. Do we take a broad enough view of our Economic position ?

It is estimated that during the first decade of this century, trade disputes led to 120,000 years of lost hours ; some or all of this loss may have been justifiable, and this brings me to the second point which I wish to see discussed here. What is the truth about wages and profits ? Both these are difficult problems, and require careful study. Half a century or so ago, Economists earned for their subject the name of the Dismal Science, mainly because of their theories on wages. The Iron Law taught that wages are paid out of an existing wages fund. If this were true, one section of labour could obtain higher wages only at the expense of the mass of labour. An American Economist cleared up this mistaken opinion and pointed out that it is superficially true that wages are paid out of existing wealth, but this is only for convenience sake. Really, wages are limited by the amount of wealth produced ; i.e. the more that is produced the greater may be the wages fund ; thus, with decreased production, in the long run there must be a decrease in real wages. Nor are profits, whether high or low, necessarily made at the expense of the workman. So far as all the great staple commodities are concerned, there can be only one price for articles of the same quality in the same market. There will be many manufacturers producing the same goods for the market, and no two of them may produce at the same cost, although where organized labour is employed the rate of wages will be the

same. The variations in the cost of production are due, not to the workmen, but to the varieties of organizing skill among the different employers. The employer producing at the greatest cost is, indirectly, the determiner of price, for he cannot for long sell at a loss. It is, in fact, the demand for the goods made by the least competent employer that enables the more skilful employers to make profits, and the most highly skilled employer, i.e. the best business organizer, makes the greatest profits.

One would like to have the time to go fully into the economics of wages and profits—but the above short sketch may perhaps be sufficient for our immediate purpose. It will serve, anyway, to draw attention to the necessity for obtaining real knowledge before dogmatizing.

If we could research on these lines it might help to suggest a system by means of which the labour force of a country, which in its essence is one and indivisible, and includes all those engaged in the work of production, from the man whose brain organizes, to the boy whose hand fetches and carries, might be graded in such wise that the real value of each member of it could be determined and his rate of remuneration fixed. With full knowledge as to the fair share of production that is due to each grade of labour there would be equitable distribution, and when men were convinced that they were obtaining their fair reward, production would be stimulated, for, with increased production, each man's share may be greater.

In conclusion, I earnestly beg that in what we say and do here to-day, we shall try to forget old prejudices, cast away all thought of making a personal score over those who think and act differently from ourselves, so that together we may try to find that path which may lead to national harmony. If this be attained there can be no doubt as to the future of our Empire. Can the capitalist, the organizer, and the worker lay aside those feelings of animosity that have almost become the rule, and in a quiet atmosphere, work together for the common good? I am convinced that by doing so each one would find greater happiness, and a reward higher than can be obtained from the accumulation of millions on the one hand, or, on the other, the successful organizing of the forces of either capital or labour, with the object of winning what will probably end in an empty victory. You may defeat what

you consider to be the enemy in the industrial sphere, but in doing so will you not inevitably bring loss on the whole community? Here and now it seems to me we have a golden opportunity to break away from an evil past, and enter upon a future whose possibilities for the good of mankind are limitless.

Sir Charles W. Macara, after referring to the recommendations he had made to the Government as to how the industries of the country might best be organized for war purposes, continued—

My long connection with the cotton industry, one of the greatest and most complex of our national interests, has compelled my giving a large amount of attention to the relationship between capital and labour, not in this industry alone, but it has brought me into close personal touch with many of the leaders of capital and labour in other staple industries, all of which are interdependent.

It has been my endeavour over a long term of years to impart to those who were selected by the working people to safeguard their interests, as much information as possible regarding what might be considered the employers' view of the carrying on of the industries. By so doing I felt that the realization of the employers' and work-people's interests being identical, would go a long way to smoothing over the differences which from time to time arise, and would help to prevent disputes regarding the division of the profits of industry, and also to promote mutual respect for the rights of both.

I attribute the comparative freedom from general stoppages in the cotton industry during the past twenty years—an immense change from the conditions that obtained in the previous twenty years—to the operation of the famous Charter which terminated the twenty weeks' struggle in 1892-93, and which declares in its preamble that "the representatives of the employers and the representatives of the employed hereby admit that disputes and differences between them are inimical to the interests of both parties, and that it is expedient and desirable that some means should be adopted for the future whereby such disputes and differences may be expeditiously and amicably settled and strikes and lock-outs avoided." Other important factors are the educational work that has been extensively carried on, and the co-operation of the representatives of the operatives with the representatives of the employers in the promotion of public-spirited movements for the maintenance and extension of an industry which plays such a

prominent part in our national welfare. I have endeavoured to carry this educational work still further, and, after numerous conferences, a plan was devised and has now been in operation for a number of years, whereby outside experts, who are independent of both workpeople and employers, and each independent of the other, are brought in, and by the aid of a tabulation of thoroughly reliable statistics it is possible to show accurately the profits of the industry at any given time or over a period of years. This scheme provides automatic arbitration without an arbitrator.

Another great factor in preventing wages disputes in the cotton trade during the past twenty years has been the limiting of the percentage of the rise and fall of wages, and also that when any change has taken place a certain time must elapse before any further change can occur. It is much to be desired that this condition shall be agreed upon in all industries. When fully explained, the simplicity of the scheme for ascertaining profits and its fairness are at once apparent, and I believe it is capable of being adapted to almost any industry. Disputes very often arise from an exaggerated view of the return on capital invested in industry generally, and if some means can be devised by which this can be fairly accurately gauged, it would often prevent unreasonable demands being made by workpeople or the refusals on the part of employers to share their prosperity with the employee.

When industries are well organized on both sides, and vicissitudes arise which may render it necessary temporarily to curtail production, co-operation between the organizations of employers and workpeople might be requisitioned with most beneficial effect.

Feeling strongly that many disputes might be avoided by thorough investigation by practical men when a deadlock arises, I conceived the idea of the Government appointing a body consisting of an equal number of thoroughly experienced representatives of capital and labour connected with the staple industries of the country, which, as I have already said, are interdependent. After securing the approval of many of the most prominent leaders of capital and labour, the Industrial Council was appointed by the Government in October, 1911, and high hopes were entertained as to the services this body would render in the cause of industrial peace. But for some reason which it is difficult to understand, and which has never been explained, this body was utilized only to a

very limited extent before the war, and, notwithstanding the very considerable industrial unrest that has occurred since the war, it has not been utilized at all.

Another matter which is equally inexplicable is, that the result of an extensive inquiry into industrial agreements and their observance which was deputed by the Government to the Industrial Council, and which occupied thirty-eight long sittings in 1912-13, has never been utilized.

A perusal of the report that was issued proves conclusively not only the desirability of, but the absolute necessity for, the thorough organization of both capital and labour, and that where this obtains disputes are usually settled between the parties themselves. The main obstacle to the perfecting of these organizations is the selfishness of a small minority of both employers and workpeople, who remain outside the various organizations, but who do not hesitate to take full advantage of the public-spirited and self-sacrificing work of the majority.

A good deal has been said about Trade Union limitation of output. I venture to express the opinion that this is against the true interests of labour—indeed, it would be on a par with the persecution of the great inventors who have done more than any other men to improve the position of labour, and to place England in the proud position of being the greatest industrial and commercial nation of the world.

I am personally acquainted with many of the official representatives of labour in the staple industries, and upon the whole I have formed a high opinion of their capacity and fairness, and it is only by the rank and file following their leaders that they can hope to be successful in securing their legitimate rights—an army without leaders can accomplish nothing.

The inquiry by the Industrial Council, already referred to, also demonstrated that compulsory arbitration for large bodies of men by legal enactment is impossible, and therefore it should never have been included in the "Munitions Act."

I hold strongly that the interference of politicians with industrial disputes is calculated to generate bitterness between capital and labour, and often leads to inconclusive settlements which are against the best interests of the industries. It is not to be expected that it is possible for those who devote their whole energies to

politics to have the necessary knowledge of the intricacies of the numerous industries or the varying conditions under which they are carried on.

The employers have the idea that this interference places them at a disadvantage, and that such a feeling should exist, although the workpeople may gain an immediate apparent advantage, is ultimately prejudicial to the real interests of industrial peace and the national welfare. In this connection I should like to emphasize that a large proportion of the gross earnings of industry goes in the payment of labour and of the expenses necessary to the running of the industries, and even under normal conditions it is only a small margin that is left to remunerate those who have invested their capital. In a crisis such as the present, this margin may not only vanish but there may be a diminution of capital, and it must be borne in mind that the employers' resources are not unlimited.

The effect of the war on industry has been most varied. Certain industries have been exceptionally profitable ; others have suffered severely, notably the cotton industry, which is dependent for over three-quarters of its employment upon export trade in competition with many other countries. To deal with the wages question without taking into consideration the varying conditions is obviously unfair. A late President of the Board of Trade made a statement a year or two ago that a sum of no less than £2,400,000,000 is invested in joint-stock companies alone in the United Kingdom. This vast capital belongs to millions of people and is the accumulated savings of brain and muscle, many small investors depending upon it for their living. There may be, therefore, quite as much suffering among them from the effects of the war as among the workpeople for whom this capital finds employment. A thorough investigation into all the circumstances is absolutely necessary before giving any award in a wages dispute, instead of, as is too frequently done, ignoring these considerations or splitting the difference. If it is proved that an industry is making exceptional profits, it is only fair that the workpeople, who may be involved in extra strain, should share in this prosperity ; but in the event of an industry being adversely affected, this policy might, in the long run, result in the workpeople being thrown out of work altogether.

It would be difficult to conceive any better medium for preventing or settling disputes than such a body as the Industrial Council.

To this Council the Government should refer all disputes that the parties themselves fail to settle, and the decision should be published.

In any dispute in a staple industry which results in a strike or a lock-out, it is not only the combatants who suffer, but enormous numbers of people who have no direct interest in the dispute are deprived of their means of livelihood ; indeed, it must never be overlooked that the whole trade of the country is one vast organism, and it is essential that the national welfare must have the primary consideration in any dispute that may arise.

Any refusal of either of the parties to a dispute to submit their case to a tribunal composed of an equal number of experienced representatives of capital and labour, with a non-political chairman appointed by the Government, would be strong presumptive evidence against the fairness of their demands, and the impression made on those whose interests are seriously prejudiced by the dispute, and on the public generally, is the only compulsion possible, and it would usually be effective.

In conclusion, I have endeavoured to deal with a complex problem from the standpoint of one who, during the past twenty years, has been frequently placed in the difficult position of having to preside over conferences of masters and men in connection with disputes, while occupying the position of President of the Masters' Federation during that period. Whatever success may have attended this work is mainly attributable to being able to eliminate personal interests, and to view matters solely from the standpoint of endeavouring to act fairly between man and man. From a wide experience, I have come to the conclusion that nothing is gained from strikes and lock-outs ; that the leaders of capital and labour have exceptionally heavy responsibilities ; and that industrial peace, especially at present, is absolutely essential. Mistakes and the difficulties they cause frequently prove to be blessings in disguise. So far as the British nation—I might say Empire—is concerned the greater the difficulties to be faced, the greater is the energy and determination to overcome them. It is fervently to be hoped that such an arousing is now taking place, and that everyone is being made to feel the seriousness of the situation, and that all classes will be prepared to make any sacrifices that may be necessary to ensure the speedy and victorious termination of the

unprecedented struggle in which we and our Allies are engaged in defence of freedom and civilization.

ADDENDUM

The following statement, dated the 10th of October, 1911, was issued by the Board of Trade—

His Majesty's Government have recently had under consideration the best means of strengthening and improving the existing official machinery for settling and for shortening industrial disputes by which the general public are adversely affected. With this end in view, consultations have recently taken place between the Prime Minister and the President of the Board of Trade, and a number of representative employers and workmen specially conversant with the principal staple industries of the country, and with the various methods adopted in those industries for the preservation of peaceful relations between employers and employed.

Following on these consultations, and after consideration of the whole question, the President of the Board of Trade, on behalf of His Majesty's Government, has established an Industrial Council representative of employers and workmen. The Council has been established for the purpose of considering and of inquiring into matters referred to them affecting trade disputes ; and especially of taking suitable action in regard to any dispute referred to them affecting the principal trades of the country, or likely to cause disagreements involving the ancillary trades, or which the parties before or after the breaking out of a dispute are themselves unable to settle.

In taking this course the Government do not desire to interfere with but rather to encourage and to foster such voluntary methods or agreements as are now in force, or are likely to be adopted for the prevention of stoppage of work or for the settlement of disputes. But it is thought desirable that the operations of the Board of Trade in the discharge of their duties under the Conciliation Act, 1896, should be supplemented and strengthened, and that effective means should be available for referring such difficulties as may arise in a trade to investigation, conciliation, or arbitration, as the case may be.

The Council will not have any compulsory powers.

The following gentlemen, in their individual capacity, have accepted Mr. Sydney Buxton's invitation to serve on the Council—

EMPLOYERS' REPRESENTATIVES

MR. GEORGE AINSWORTH, Chairman of the Steel Ingot Makers' Association.
SIR HUGH BELL, Bt., J.P., President of the Iron, Steel, and Allied Trades' Federation and Chairman of the Cleveland Mine Owners' Association.

SIR G. H. CLAUGHTON, Bt., J.P., Chairman of the London and North-Western Railway Company.

MR. W. A. CLOWES, Chairman of the London Master Printers' Association.

MR. J. H. C. CROCKETT, President of the Incorporated Federated Associations of Boot and Shoe Manufacturers of Great Britain and Ireland.

MR. F. L. DAVIS, J.P., Chairman of the South Wales Coal Conciliation Board.

MR. T. L. DEVITT, Chairman of the Shipping Federation, Limited.

SIR THOMAS R. RATCLIFFE ELLIS, Secretary of the Lancashire and Cheshire Coal Owners' Association and Joint Secretary of the Board of Conciliation of the Coal Trade of the Federated Districts, etc.

MR. F. W. GIBBINS, Chairman of the Welsh Plate and Sheet Manufacturers' Association.

SIR CHARLES W. MACARA, Bt., J.P., President of the Federation of Master Cotton Spinners' Associations.

MR. ALEXANDER SIEMENS, Chairman of the Executive Board of the Engineering Employers' Federation.

MR. ROBERT THOMPSON, J.P., M.P., Past President of the Ulster Flax Spinners' Association.

MR. J. W. WHITE, President of the National Building Trades Employers' Federation.

WORKMEN'S REPRESENTATIVES

RIGHT HON. THOMAS BURT, M.P., General Secretary of the Northumberland Miners' Mutual Confident Association.

MR. T. ASHTON, J.P., Secretary of the Miners' Federation of Great Britain and General Secretary of the Lancashire and Cheshire Miners' Federation.

MR. C. W. BOWERMAN, M.P., Secretary of the Parliamentary Committee of the Trades Union Congress and President of the Printing and Kindred Trades Federation of the United Kingdom.

MR. F. CHANDLER, J.P., General Secretary of the Amalgamated Society of Carpenters and Joiners.

MR. J. R. CLYNES, J.P., M.P., Organizing Secretary of the National Union of Gasworkers and General Labourers of Great Britain and Ireland.

MR. H. GOSLING, President of the National Transport Workers' Federation and General Secretary of the Amalgamated Society of Watermen, Lightermen and Watchmen of River Thames.

RIGHT HON. ARTHUR HENDERSON, M.P., Friendly Society of Ironfounders.

MR. JOHN HODGE, M.P., General Secretary of the British Steel Smelters, Mill, Iron, and Tinplate Workers' Amalgamated Association.

MR. W. MOSSES, General Secretary of the Federation of Engineering and Shipbuilding Trades and of the United Patternmakers' Association.

MR. W. MULLIN, J.P., President of the United Textile Factory Workers' Association and General Secretary of the Amalgamated Association of Card and Blowing Room Operatives.

MR. E. L. POULTON, General Secretary of the National Union of Boot and Shoe Operatives.

MR. ALEXANDER WILKIE, J.P., M.P., Secretary of the Shipyard Standing Committee under the National Agreement of 1909 and General Secretary of the Shipconstructive and Shipwrights' Society.

Mr. J. E. WILLIAMS, General Secretary of the Amalgamated Society of Railway Servants.

Additions may be made to the above list.

The Members of the Council will, in the first instance, hold office for one year.

SIR GEORGE ASKWITH, K.C.B., K.C., the present Comptroller-General of the Labour Department of the Board of Trade, has been appointed to be Chairman of the Industrial Council, with the title of Chief Industrial Commissioner; and Mr. H. J. WILSON, of the Board of Trade, to be Registrar of the Council.

Mr. Will Thorne, M.P., speaking as a representative of the Trade Union Congress, said he approved of many of the principles involved in Sir Charles Macara's paper. He was in entire agreement with that part which referred to the Industrial Committee appointed by the Government two or three years ago. Upon that Committee there were representatives of organized labour and of employers, and evidence was submitted to the Committee from all quarters. Sir Charles had suggested that in future this Committee should have all industrial disputes relegated to it for consideration and decision, but he took it that Sir Charles did not mean the whole of the Committee, which would be rather unwieldy. He should have no objection to a number of gentlemen being selected from the Committee to consider these questions. The gentlemen who adjudicated at the present time upon questions of work and wages—Sir George Askwith, Sir George Gibb, and Sir Francis Hopwood—had not been selected from the class to which the speaker belonged, and he did not think it was possible for them to give fair and impartial decisions. They were not in a position to have consultations with delegates of organized labour, and in consequence of the tremendous number of questions submitted to them, it was almost impossible for them to deal with them as speedily as the urgency of the workmen's claims required.

He thought he was justified in saying that during this war the Trade Unions had behaved with patriotism. In the early stages of the struggle, the larger and more responsible of them decided to stop all strikes. The leaders were severely criticized by the members of the Unions, because it was thought there was a good chance at that time of winning all they were striving for. But the Unions realized that it was essential that the organized workers should close their ranks in order to prosecute the war to a successful issue. Organized labour had always been opposed to compulsory arbitration. To begin with, it must be enforced by penalties.

Another reason for opposing it was that if a decision was given in favour of the workmen and against the employer, there was nothing to prevent the employer from closing down his factory and throwing his workpeople on the street. That was a lop-sided bargain. But he had always been in favour of what might paradoxically be called "compulsory conciliation"—the compelling of workmen and employers to meet together round a common table to discuss pros and cons, with power, if the discussion failed to reach a settlement, of resorting to a strike or a lock-out. Since 1889 there had undoubtedly been a better understanding between employers and workmen. We had had since that time Conciliation Boards established, we had had Co-partnership, what was known as the Premium Bonus System, and what was called Co-operative Production. The Union he represented was connected with several Conciliation Boards, but he wished to refer specially to that for the blast-furnace workers. In that case there was now no need to discuss wages and hours. The wages were governed by the selling price of pig iron, and every quarter an audit was held in which both sides had perfect confidence. If either side was not satisfied with the decision given by the chartered accountant, it had the right to have an inquiry, but during the last ten years it had been necessary to have only one inquiry. If the Conciliation Boards were more numerous it would be a good thing. Where the Boards had been in operation there had been no strikes, although the workmen had not always been satisfied. Under the Boards a minimum and a maximum wage had been fixed, but the maximum had never yet been reached, though the minimum had! Even if wages were to rise to the maximum of 30 per cent. over the basis rate, that would be inadequate to meet the present situation. The rapid increase in the cost of living was the chief cause of the present troubles. In some cases there had been absolutely no economic necessity for the increase of prices. Take coal as an instance. In the early part of the war, when the miners had not received a single extra farthing of wages, for some reason best known to the colliery owners and merchants, consumers were called upon to pay enormously excessive prices for coal. In London the price was advanced in some cases by as much as £1 a ton, because the ship-owners took advantage of the shortage of ships and put up the freights by some 15s. to £1 a ton, though the sailors and firemen

never had the slightest advance in wages. During the past twelve months London alone had been exploited on its coal consumption to the extent of £8,000,000. If the coal consumption of London were taken as one-eighth of the consumption of the country as a whole, it was easy to calculate what coal consumers had been called upon to pay since the war began. The public had to pay in another way, because the municipalities and the private gas companies had been compelled, so they said, to raise the price of gas. If the Government had done with the collieries and the munition and armament factories what they had done with the railways and worked them on the same basis of guaranteed profits, we should have had no trouble at all in the coal-fields.

He was one of those who believed that it would be a long time before we had industrial harmony under our present system of production. He could not see how it was possible to harmonize the opposing forces of the employers on the one side and the employees on the other. Friction might be minimized where employers were reasonable and were anxious to advance wages and reduce hours so far as the profits allowed—he quite recognized that you could get only so much juice out of an orange. It seemed to him that the great fight to come was on the question of the distribution of wealth. That was the cause of the whole question. He was perfectly certain that under our present methods the wage-earners were not getting what they were entitled to. If we referred back fifty years we should find that out of the total wealth produced in a year, 800 millions, the wage-earners received 400 millions. To-day we were told that the wealth produced in a year was 2,400 millions. If the wage-earners had a half of that to-day the present labour unrest would be largely diminished because it would mean an increase of 15s. a week in wages all round. Time would not permit him to say how this better distribution of wealth might be brought about, but there were one or two ways by which the workers could get a greater share of it, notably by fairer methods of taxation, namely, an equitably graduated system of income tax and super-tax and an increase in death duties. Revenue thus obtained would render unnecessary taxes taken from the pockets of the wage-earners, on tea, sugar, and other household necessities.

In conclusion, he desired to return to his remarks on Conciliation Boards, and advocated their formation as a means of minimizing

disputes between employers and workpeople in all industries where it was possible to arrange for wages to rise and fall according to the selling price of the products, but it was necessary for a minimum wage to be fixed sufficiently high to support an ordinary family household. Although Conciliation Boards would not solve all labour problems they were, in his opinion, of benefit to both employers and workmen.

Sir Hugh Bell, continuing the discussion, said : The subject we are discussing does not owe its existence to the war—it existed long before. I have come before you to make some suggestions in consequence of the paper by Professor Kirkaldy. I am an iron-master engaged in the working of minerals required for the production of iron and steel. I have this advantage, that I am able to deal with the whole process, for I begin with the raw materials—coal, ironstone, and limestone—which my firm produces from its own mine and quarries, and deal with the finished product ; so that any analysis which I make deals with the whole of the commodity, and not only with some part of it. In some industries like, for example, the textiles, the raw material—cotton or wool or silk—comes from abroad, and thus escapes analysis. Its cost is included in payments to others. I am going to tell you what is the result of making steel under the conditions I have described. The figures are simple, and I must ask you to accept them from me. If you form your committee, I shall be glad to substantiate them. In every ton of steel I make, from 70 to 75 per cent. of the cost is labour. There remains between 25 and 30 per cent. to pay all other outgoings, including that which I regard as a very essential part, namely, my profit. If, after I have completed my transaction and paid everything that is due from me, there remains in my possession 10 per cent., I am a very fortunate man. There is 70 per cent. labour and 10 per cent. which I hope to keep for myself. There remains between 15 and 20 per cent. for all other outgoings. No doubt in an ultimate analysis a great deal of that, too, will fall under the head of labour. In 15 to 20 per cent. there is an item to which I must draw attention even in my case, when I do so much with my own workmen and machines. Some part, as, for example, all the railway carriage, is done by others. These unreasonable persons will not do services without getting some profit for themselves, and thus out of that 15 to 20 per cent. comes

the interest or profit paid to others. Some portion of it goes in rates and taxes ; and fully one-half of the taxation we pay goes for the remuneration of labour. But I should explain that in my analysis I have endeavoured to separate the portion of rates and taxes which goes in payment of wages. There remains, as I have said, 10 per cent. for me. If any one will take the trouble to get the balance sheet of any industrial enterprise—I do not care what it is, whether cotton, iron, or anything else—he will find that, of the total amount of profit the concern earns, it never dares to distribute more than between one-half and two-thirds. That is to say, supposing out of the gross revenue, after you have paid all your outgoings, there remains something like 10 per cent., if of that you divide among your shareholders more than between 5 per cent. and 7 per cent., you will speedily be in the bankruptcy court. The reason of that is obvious. Apart from all other considerations, the Income Tax Commissioners will not let you put aside anything like the amount for repairs you think justifiable, and accordingly you have to take out of your surplus revenue a certain proportion of your profits in order to maintain your works. No doubt, if you are wise, the money thus taken is expended in a way to increase profits in the future. When I explain all this to my workmen, they say to me, " Yes, but you have got very much richer "—a fact which I regret to say I cannot deny. " It is perfectly true," I say, " but whose advantage is that ? If I did not get richer I should not have money to invest ; if I did not have money to invest, I could not improve my works ; if I did not improve my works, I could not give you employment." For every thousand men anyone has in his employment there are about ten men every year coming to maturity and wanting a job. They always want a job at the works to which they belong. Unless, therefore, for every thousand men you have laid aside the capital necessary to employ these ten men, they will have to find employment elsewhere, and if either you or some other persons have not laid aside capital, these young men will not find employment at all.

But to return to the question of my profit. Out of what fund am I going to pay a 10 per cent. increase in wages ? If I pay 10 per cent. more on my wage-bill of £70, that is £7, I should have no profit at all, for since out of £10 I have only kept, say, £5, and have re-invested the other £5, I have only £5 to pay the £7 required

to pay 10 per cent. more wages. That would seem to be a hopeless outlook, because it would appear quite impossible ever in the future to improve the position of labour. If that were the conclusion to which I had come, I would not venture to stand up before any audience to present so black an outlook. But, fortunately, that is not the only answer. The real answer is that an improvement in the position of the workman must come, not from without, but from within. It cannot be accomplished without the co-operation of the workman himself. I am sorry to have to assert that, so far as Great Britain is concerned, I believe that, on the whole, the workmen have resolutely opposed themselves to any such improvement. But my sympathies are entirely with them, as they are in so many cases where their interests and mine appear to be opposed. Every improvement in a process means a reduction of the amount of labour employed. It is obvious that the employer would much rather attack the labour bill than anything else, for it is much the largest of his outgoings. To do this he seeks to put into the hands of his men a better tool. What does that mean? I have ten men getting 30s. a week in doing a particular job. I come down to them one day and say, "I have found a way of doing this a good deal cheaper. Only five men will be required. I am perfectly ready to pay rather more than 30s. a week and do away with five of you." I am not at all surprised with the men who say, "We would much rather that ten of us should have 30s. than that five should have £2, and the other five nothing at all." I have always found it difficult to find an answer to that proposition which would satisfy those to whom the proposal is addressed, because the question requires the element of time. It is true the operation I am going to perform is a good economic one. But for a short period it will or may produce unfortunate results for the men employed, though in the long run everybody concerned is bettered by it. Let me take an example from my own experience. When I began to make pig iron, the labour at the blast furnace was about 6s. a ton. The labour is now about 3s. a ton, yet every man working at the furnace gets nearly twice as much as a man got 60 years ago, and I have got ten times as many men working, because I am making much more iron. That is the net result of the improvement of a process, and in that way alone can improvement be justified.

I have been speaking of the iron trade, and I have given you the

figures with regard to it. I want to give you another group of figures, those relating to the railways of this country. In round figures, every year we ironmasters turn over our capital once. I was speaking in New York some time ago, and I surprised members of the trade then by telling them that. They told me that in the steel industry in America, they turned their capital over about once in three years. My gross income, therefore, is equal to my capital. Of every £100, £10 is profit, of which about £7 I keep, and I put back £3. Of the remainder I pay £70 for labour. It is obvious, therefore, from the figures I have given, that the margin out of which to pay additional wages is very small.

The railways of Great Britain turn their capital over about once in eleven years. Their gross proceeds are divided in round figures as follows: Two-thirds for working expenses, and one-third for interest on capital, including debenture, preference, and ordinary stock of all kinds. That is to say, out of each £100, £66 goes to pay prime charges, and £33 to pay interest on capital. Of the £66, in round figures, the railway company pays to persons in its own employment about £33, and indirectly it pays to workers employed by other parties about £16 more. Probably about 50 per cent. of its total outgoings goes in wages. About 16 per cent. goes to pay fixed charges, i.e. debenture interest and preference dividend, which, though dependent on the profits earned each year, does not vary with the profits. Thus, there remains 16 per cent. in the hands of the ordinary shareholders. If you work these figures out you will find that for every 10 per cent. you add to wages you must take off about 20 per cent. from the dividend of the ordinary shareholders. The railway companies have for the last 20 years or so had great difficulty in raising additional capital. What is going to happen if you compel the companies to pay higher wages? You will simply not succeed in obtaining capital. I was much struck by a remark which fell from Mr. Thorne, namely, that we could not expect an employer to carry on his business for nothing. Many of those who speak on his side grudge all return on capital. I am glad to note he does not take that view, which would militate so greatly against those for whom he speaks. It would suit nobody that the railways should carry on their business for nothing, because they would not be able to raise the capital to give the increased facilities which the growth of the country demands from

the railway, and deprived of these, the industries of the country would cease to progress.

The distribution of wealth is much too large a subject to enter into now. Whether it is possible to divide the gross income of the country between the various participators in the work of production is a problem that has occupied the attention of economists for years. But Mr. Thorne has quite underestimated the share of the working classes in the national income. He said they did not get half of the gross revenue. So far as my knowledge goes, I agree with him that the total revenue of Great Britain may be said to be about £2,400,000,000 a year. But, unless I am very much mistaken, persons who are earning daily wages, including all who are employed in superintendence, but not those earning the higher salaries paid for management, get very nearly, if not quite, one-half of that amount. If that is so, then his needs are satisfied. But I hope he is not satisfied ; because he and I, though we sit at opposite sides of the table, do not really differ. We are at one on this point, that we both desire to see labour get its full stint of remuneration, provided that in return it gives its full stint of effort. That is all we are asking on the one side or the other. If we can get that from one another, if we can be persuaded that each of us only desires that, then I do not doubt that these meetings of employers and employed for the purpose of compulsory conciliation (and I accept the expressive bull involved in the phrase) will have the desired result, if not in altogether allaying, at all events in reducing to reasonable proportions, the unrest which we are here to discuss.

Professor L. T. Hobhouse considered the field to be covered by the proposed committee a very wide one. The study of industrial harmony seems to involve the whole of economics and, indeed, something more. For by economic harmony, we must understand a system under which each individual, by putting forth his best energies, serves the common life, and in so doing, and only in so doing, obtains the stimulus to continue his energies and the means of maintaining them. To establish harmony in any such sense as this is to deal with the whole question of economic justice. To investigate the subject is to deal not with facts alone but with a sphere in which facts and ideals come into contact. The inquiry would be full of fruitful possibilities, but its fruitfulness depends

upon a clear recognition of the two sides of the problem, that is to say on keeping the questions of fact and the questions of right distinct. It is quite possible for people to reach agreement as to the actual result of given causes and yet to put a very different value on these results, so that some would see harmony and justice where others saw disharmony and inequality. So much depends on the ideal which operates, perhaps consciously, perhaps rather at the back of the mind, in passing judgment on all social arrangements.

I am moved to make these rather abstract remarks largely by things which have been said earlier in the course of the discussion. There has been a tendency, I think, to insist upon the actual harmonies to be found in the economic world as it works at the present time. Without denying that some elements of harmony are discoverable in any system that succeeds in operating, my feeling is that this is a case in which the good is the worst enemy of the better. At any rate, the most insidious obstacle to the establishment of a more harmonious system is an over-insistence upon such elements of harmony as have been actually realized. It may be granted that in some respects the interests of all parties in the industrial bargain coincide—for example, it is in the ultimate interest of both employers and employed that production should be increased and that improved processes should be adopted—but we must beware of generalizations which would lead us to take too smooth a view of a tangled situation and to infer an ultimate identity of interests in every case. I confess it appeared to me that Sir Hugh Bell, in one or two passages of his exceedingly able and interesting speech, leant towards what I would call too easy a view. When, for example, he suggested that the increased wealth of the employer was ultimately for the good of the workman, he seemed to be reverting to a rather old-fashioned type of argument which I had supposed to have disappeared from the arena of economic debate. If, as seemed to be tacitly admitted, we have in our industrial production a system in which, where a business succeeds, one man becomes rich while all the rest remain poor, it is difficult to think that the harmony of that system will commend itself quite as forcibly to the many as to the one. Sir Hugh Bell found a justification in the fact that the rich man can save, and by saving develop his business and add to the numbers in his employment ;

but would anyone contend that saving, to be effective, must pass through the bottle-neck of the rich man's possession? A Socialist might reply that the community was no less capable of saving than the individual; or a Trade Unionist might urge that if wages rose above the minimum necessary for the standard of life, the workpeople themselves might contribute more to the accumulation of capital. In point of fact, in proportion to income, it is probably the man of moderate means who saves most. And whatever else may be said for great inequality in the distribution of wealth, the argument, from the necessity of accumulation, seems a most doubtful one.

Again, when Sir Hugh Bell gave figures to show the large proportion of the cost of production which already goes to labour, and drew the conclusion that the margin available for any increase must be small, was he not, for the moment, disregarding the time factor, to which, at other points of his argument, he invited our special attention? The workman would be inclined to say that if you increase wages you might thereby in time operate upon prices. The particular price of steel holding at any given moment is not a sum fixed by immutable decree, but is subject to increase or diminution in accordance with the movement of all the conditions acting in the market. One of these conditions is the cost of labour, and one of the forces affecting the cost of labour is the demand of the workpeople themselves. Thus, if prices limit wages, it is no less true that wages react on prices. No doubt the question whether a rise of prices would be possible depends at any given time on complex conditions involving the whole position of the market both at home and abroad. Owing to this complexity and to the vast area over which economic forces interact, it is always easy to argue against the possibility of large changes at any given point. If you take industry by itself and regard the prices of its product as a fixed quantity, you can always show that the margin for a possible increase of wages is very small. But this is no valid argument against the possibility of a general increase in the share falling to the manual workers in industry, since such advance, if continuously pressed, must effect a gradual re-arrangement of the scheme of distribution, and therewith of the rates at which commodities are exchanged for one another. The argument from the impossible has been used against every improvement of the

workman's position in the past, and has been constantly disproved by the event.

I find myself, therefore, in agreement with Mr. Thorne that, in any systematic examination of this subject, we are brought up against far-reaching questions of the distribution of wealth and the organization of industry. The ultimate subject of the inquiry is the nature of economic justice—the possibility of an economic ideal which can be consistently applied, and of machinery to organize its application. The inquiry is one in which the investigator will court failure if he sets out merely to discover how existing disagreements may be smoothed over. Its true object is to form a reasoned ideal of justice in economic distribution, applied through the ascertained operation of economic cause and effect, to the concrete facts of our industrial life.

Councillor James Johnston, J.P., enlarged upon the beneficial effects to be obtained from Co-operative working. He said : Discontent is rife amongst the workers ; of this we have had many illustrations during the last twelve months, a period in which it was more necessary than at any previous time that industrial harmony should have prevailed, in order that the whole of the community could have worked together to defeat the common enemy. Great changes are imminent in the industrial world ; the war has emphasized this, and therefore it is a common and universal duty to help to avoid a disastrous upheaval. Labour unrest is due almost entirely to the great contrast in the position of the wealthy and the poor. In ten years there has been an increase in the wealth of the income-tax paying class of £190,504,000 ; 11,800 persons are returned as receiving £149,000,000 in 1912-13. Out of our total population of about 46,000,000 people, 39,000,000¹ are not liable to income tax, that is, they receive less than £160 a year each. Thirty-two per cent. of adult wage-earners are in receipt of less than 25s. a week and a large number of general labourers have less than £1 a week. Throughout the United Kingdom there are about one million agricultural workers whose wages average 17s. 6d. a week. The increase in the cost of living has brought these men nearer to the margin of destitution than they were ten years ago, and low wages, bad conditions, especially bad housing, undermine their personality, independence of mind, and freedom of will.

¹ This figure includes married women and children.—Ed.

The work of Trade Unions has helped enormously in bettering the conditions of the skilled workers, and, in more recent years, the conditions of the unskilled, but they would add enormously to their value and power by using their surplus capital and skill in establishing co-operative workshops for the employment of their members, thus reconciling the conflicting interests of capital and labour in industry, and enabling their members to realize, and practise, that "It is only by creating wealth that we create the means to pay for work. The more wealth we create, the more we can pay for." The establishment of Old Age Pensions and of Wages Boards and National Insurance has materially improved the conditions of the aged poor, unemployed, and poorly paid workers, but, after all, these useful and beneficent measures are only palliatives, and we must dig deeper to secure equity and justice for all. Palliatives are no cure. Destitution should be stamped out. There should be a national minimum of wages, housing, leisure, and education. The establishment of a Co-operative Commonwealth, in which every one shall take his share in the work of the community, and the wealth produced shall be distributed "to every one according to his need," must be our ultimate object.

The late Bishop Westcott, in an address at the Middlesbrough Co-operative Congress in 1901, clearly expressed in a few words the necessity for better conditions in industry. He said: "While we rejoice in the various advances towards our goal, we cannot acquiesce in anything short of the ideal of production itself, that all who combine in a business should be partners in it, partners in the contribution of capital, partners in profit and loss, partners in control and development, partners in responsibility and honourable pride; a position which must tend to bring out unfailing support to vigorous labour and untiring thought and glad devotion to social service, or, in other words, a man's full reward in elevation of character, apart from any financial advantage, for a man's full work. . . . We believe in advocating these principles, we are pleading for the just rights of workmen, rights which will make nobler citizens, clearer brains, and an intelligent community, making men more independent and far more equal."

Co-operation is a principle essential to the maintenance and development of civilization, and its underlying principle is that the individual, in promoting the well-being of the community, will,

with greater certainty, promote his own. This differs essentially from the doctrine of the individualist, namely, that by leaving each individual free to pursue his own advantage there will result the greatest good to the greatest number. Co-operation seeks not the elimination of property, but its extension to all by collective ownership, thus giving to every citizen the ethical value of a man of property. It is an economic movement founded on a moral basis, aiming at the substitution of the destructive system of unlimited competition by the life-giving method of co-operation.

The co-operative movement has 84,989 workers engaged in distribution, and 63,275 in production. It contributes out of its surplus £113,226 for co-operative educational purposes, and £129,175 for charitable purposes.

The general progress of the co-operative movement is shown by the annual returns of the Co-operative Union for 1914. Number of societies in United Kingdom, 1,510; members, 3,188,140; share and loan capital, £58,704,695; trade, £138,472,025; surplus, £15,204,098.

CO-OPERATIVE WHOLESALE SOCIETY, LIMITED

No. of C.W.S. Productive Works	50
.. Employees in Productive Works	over 18,400
.. Working Hours per week	various, 43½ to 53½

Minimum Wage of Unskilled Workers—

(a) Females—The following minimum scale rate is in operation, viz.—

Age	14	15	16	17	18	19	20
Wages	5s.	7s.	9s.	11s.	13s.	15s.	17s.

(b) Males—A minimum wage of 24s. per week is paid to all adult employees of 21 years of age and over. In the majority of cases, however, this rate is exceeded

NOTE.—In addition a War Bonus is now paid on the following basis, viz 15 per cent. on Wages up to and including £2 per week, and 10 per cent. above £2 per week up to £200 per annum.

Skilled Workers and Trade Union minimum

The rule laid down by the C.W.S. Committee and strictly adhered to is, that wherever Trade Union Rates of Wages are in operation such rates shall be recognized as a minimum, and in all Trades where no Trade Union Rate is in operation, a generous standard is fixed on the basis of the conditions obtaining in the district.

Free Holidays allowed annually	Staff Hands, two weeks with pay.
Broughton Shirt Factory	{ (a) No. of Workers, 740
	{ (b) Average Wage of Female Workers (women and girls), 18s. per week.

In addition to the productive works of the two Wholesale Societies, with an output of £11,916,365, there are 108 independent productive societies with an output of £3,800,627 for the year 1914, employing 10,726 workers. The total productive work of the Co-operative movement in the United Kingdom includes 110 societies employing 36,850 persons; share and loan capital, £5,483,140; trade, £17,642,590; and in addition to this amount distributive co-operative societies produce goods—flour, bread, boots, clothing, and so forth—for their members of a total annual value of £14,550,000, bringing the total to £32,198,589.

Co-operative farming is carried on by the cultivation of about 16,000 acres of land, of which over one-half is owned by societies. Besides this there are 478 farming societies in England and Wales affiliated to the Agricultural Organization Society, with a turnover of upwards of £2,000,000, and work of a similar kind is carried on by agricultural organization societies in Scotland and Ireland.

The hours in co-operative productive works are generally shorter than in the ordinary workshop, the majority of them being only 48 per week—a great advantage to the workers in giving them opportunity for recreation and so forth.

The shirt factory run by the Wholesale Society is a splendid example of how a *sweated industry* can be run on co-operative lines and give proper wages and more satisfactory conditions to the workers, whilst competing successfully in both quality and price with the private manufacturer. This business was started a little over 20 years ago with about 20 workers, and from the figures already given it will be seen that the number employed is now 740. The average wage of 18s. per week for 44 hours includes those of girls of 14 who are learning the business. During the first month these girls are not paid, but are put under one of the expert workers, who instructs them and gets the value of the learner's work during the month. A girl then starts on her own account, but it takes some time before she is able to earn any considerable sum in wages, thus keeping down the average wage. The expert workers can earn 25s., and even more, per week. No deductions are made from wages for hire of machine, thread, and so forth, as is the case in many private works. Wages and conditions in most of the ordinary shirt-making works fall much below the above.

The federal system of production has the great advantage of a practically unlimited supply of capital, and an assured market for its products through its society members, whereas the co-partnership system is dependent on the capital subscribed by the workers themselves, or their friends or societies, who are in sympathy with their methods; and as, in many cases, they have to dispose of their products almost entirely in the open market, their rate of progress is necessarily slower than that of federal production.

The results shown by co-partnership productive workshops prove that the workers are able to organize themselves not only in profitable but in poorly-paid industries, and to compete in the open market. It only needs a fuller realization by the public of the necessity of placing the relationship of labour and capital on such a basis that they may cease to be antagonistic to each other, to bring about a system of industry in which strife will be abolished and peace reign. Under a system in which profits are equitably distributed, and the worker has a large share of the responsibility of control and management, greater economy in production will result. The worker will give of his best, he will endeavour to raise the poorly paid worker to a higher level, and will help to increase co-operative progress in order that it may obtain the means to own the land, the minerals, and the means of transport, so that it may have direct access to the raw material, control prices, and govern output in the interests of the whole community.

Mr. G. Pickup-Holden said: It is with diffidence that I have accepted your invitation to speak at this important meeting, and I consider it necessary clearly to state my position. I am not entitled to speak as the representative of any organization or association, and am only expressing my individual opinions as an employer engaged in the cotton trade. I propose to prove that efficient buying and selling have resulted in efficient production, ensuring industrial harmony and national profit; that inefficient buying and selling have resulted in inefficient production, ensuring industrial discord and national loss.

The national profit and loss in the cotton and building industries are the result of their methods of buying and selling (wages). These are based on mutual arrangement (co-operation) between employers and employed. Cotton operatives are paid for production (output), not for consumption (time occupied). Building workmen are paid

for consumption (time occupied), not for production (output). The cotton trade is efficient and expanding ; the building trade is inefficient and contracting.

The cotton industry is the greatest export trade in the Empire. In 1912 its exports amounted to £120,830,000. The factors of production—ability, capital, and labour—are available in preponderating quantities in Lancashire. Success has been achieved by the adoption of methods directly opposed to those supported by Lancashire's practical men (employers and employed), and its theorists (the Manchester School of Political Economy).

The employers strongly supported the *laissez-faire* policy ; they opposed interference by legislation, trade unions, and standard rates of wages. Their united action was based on a fallacy that reduction of wages reduced losses. The workpeople showed equal opposition to the ultimate causes of their prosperity. They strongly supported the fallacy that reduction of output increases employment. Holding this view, they opposed the introduction of labour-saving machinery.

The policy of the employers in reducing wages to the level of subsistence would not have given increased profits, and it has been abandoned. The policy of the employees in reducing output (by the non-use of machinery) would not have lessened unemployment or increased wages. It, too, has been abandoned in the cotton industry. The theories taught by the Manchester School of Political Economy have also been abandoned.

In 1853, after repeated struggles and disputes between employers and workpeople, the Blackburn list of weaving prices was, by mutual arrangement, adopted as a standard rate of wages. It was merged, with modifications, into the Lancashire uniform list in 1892. The result of this method of fixing prices has been that in the Lancashire cotton industry there has only been (in 1878, on a reduction of 10 per cent.) one general strike in sixty-two years—1853-1915.

The basis having been fixed, it became immediately the joint interest of employers and employed to stimulate production, hence there resulted increased output and higher wages.

The result of this unity of action has been that the cotton trade has gradually gravitated to the centre of high wages. Its supremacy is the result of well-paid, continuous, and, therefore, efficient labour.

This uniform list has one idealistic feature which is unique. Men, women, and "young persons," trade unionists and non-trade unionists, are all paid alike.

The adoption of this method of fixing prices, directly opposed to the teachings of the "Manchester School," has proved one of the chief factors in developing the Lancashire cotton industry. It is the permanent basis of our efficiency and industrial harmony.

It may be considered that undue preponderance has been given to the view that development has been effected through the rejection of the Manchester School's theories. But an examination of the condition of the cotton industry in America, where the policy of the Manchester School has been adopted, will tend to prove the truth of this statement. As a member of the North-East Lancashire Employers' Association Commission, to investigate possible danger from American competition, I visited the cotton manufacturing States in 1901. We found splendidly equipped mills, the latest machinery, automatic looms in advance of Lancashire, a home market rigidly protected; large units of production (the Amoskeag Mill, at Manchester, New Hampshire, contained over 11,000 looms, with 350,000 spindles)—all the essentials for efficient production, and, to Lancashire, dangerous competition. We decided, however, after consideration, that, with the exception of coarse goods, in which cotton is the predominant factor, and labour of relatively less importance, Lancashire was not endangered by American competition. The factor which prevents Americans from successfully competing with Lancashire is that they have adopted the Manchester School's economic doctrines. They purchase their labour on the basis of supply and demand, fixed by competition. In times of trade depression the remedy, reduction of wages, is readily enforced. Reductions of 20 to 30 per cent. in weaving prices have been effected. The conditions of labour predicted by the Manchester Economists we found in fullest operation in the Southern States, the former home of slavery. The "law" reducing wages to the bare level of subsistence was in full force. We found weavers running ten automatic looms for less than 10s. per week. They were paid 6½d. per piece for weaving on automatic looms, whilst Lancashire was paying 2s. 4½d. for exactly the same production.

In this district the manager said: "There are no labour laws,

no school laws ; but most of the mills in North Carolina by common consent observe a 66 hour week, and they would rather not employ children under 12 years old."

Day and night work was arranged as follows : The day shift worked from 6 a.m. to 6.40 p.m., with 45 minutes' interval for dinner, except on Saturday, when the hours were 6 a.m. to 12 noon. The night shift worked from 6.40 p.m. to 6 a.m., with only 15 minutes about midnight for refreshments. The manager said that if a longer rest were given, the hands would fall asleep. One set of men, women, and children always worked by day, and the other set always by night. In Augusta, between 500 and 600 children, from 5 to 10 years of age, were employed in the cotton mills. We were back in the "good old times" of Manchester, in 1820-1840.

These mills, in some cases splendidly equipped, were paying, if any, very small dividends. One magnificent new mill we visited, with a capital of £500,000, was, shortly after our visit, in the hands of the liquidator. America will only become a dangerous competitor when she drops completely practising the theories of the Manchester School.

The great success of the cotton industry has been due to the fact that it has adopted the whole of the law of life taught by Ruskin. There is government and co-operation. Strong united associations of employers meet equally strong united associations of operatives. The operatives, many of whom hold shares in their mills, recognize the force of government by ability, and knowing that their wages are increased by increased output, they support new methods, new machinery. The result is : increased production, greater efficiency, industrial harmony.

The building trade's inefficient buying and selling, producing inefficient production, results in industrial discord and national loss. The workmen in this industry are paid on a fixed basis—a standard rate of wages. This rate has been fixed by co-operation between masters and men. Wages are paid for time consumed, not for output. The workmen still retain the fallacy that reduction of output increases employment. They refuse to accept the conditions which have made Lancashire successful. A brief examination of the costs of production will prove the inefficiency and show the resulting national loss. Statistics giving cost of production for the past thirty years in the building trade are as follow—

The number of bricks laid per day in plain walling in 1885 was 1,200 to 1,500; the number laid in 1912 was 550 to 650. The number laid in 1914-15 has been as low as 450. Two employers informed me that they have repeatedly, for days together, working on their own account, each laid 2,500 bricks daily.

The cost of this policy of decreased output is as follows—

A block of cottages erected in 1885 cost, for 9-inch brickwork, (labour only), 8½d. per square yard: bricklayer, 9d. per hour; labourer, 6d.

In 1912, exactly the same labour cost 1s. 9d. per square yard of 9-inch brickwork: bricklayer, 10d. per hour; labourer, 7d. per hour.

	£	s.	d.
Based on 20,000 sq. yards (8½d.)—			
Cost of labour was in 1885	708	6	8
Based on 20,000 sq. yards (1s. 9d.)—			
Cost of labour in 1912	1,750	0	0
Increase in wages amounted to		98	3
National Loss due to restricted output	943	10	4

A weaving-shed built in 1882—

	£	s.	d.
(a) Stone cost per cub. yard, 6s. 6d.:			
12,064 cub. yards at 6s. 6d.	3,920	16	0
(b) An identical shed built in 1912 cost 13s. per cub. yard	7,841	12	0
(a) The material in 1882 cost (stone) 3s. per yard, (mortar)			
6d.—total 3s. 6d.	2,111	4	0
(b) The material in 1912 cost (stone) 5s. per yard, (mortar)			
1s.—total 6s.	3,619	4	0
The cost of labour in 1882	1,809	12	0
The cost of labour in 1912	4,222	8	0
Advance of 1d. per hour amounted to	263	8	0
National Loss due to restricted output	2,149	8	0

The consequence is that operatives throughout Lancashire before the war, in 1914, were waiting for cottages. Bricklayers and stone-masons were in large numbers unemployed. Some large firms have only been regularly employing one-quarter the number of their former workmen, and these men are paid—also upon a fixed basis of prices not affected by competition—a standard rate of wages fixed by co-operation between masters and men.

Dealing with the last great building strike in London (May-June, 1914), the *Building News* states—

“The men know that out of the 5,000 Master Builders in London, only 3 per cent. belong to any Masters' Association.”

Its workmen will not recognize the force of governing ability.

and refuse to have any effective government. Their foreman must be a member of their Trade Union. Any attempt by him to increase the production is strongly opposed. If he persists in attempting to increase production he is brought before the local Lodge and warned. If he continues his exertions he is brought before the local Lodge and fined, until his efforts for efficiency are broken. The use of machinery and machine-dressed stone is restricted by absurd regulations. The only united effort of the employers appears to be to pay the same rate, and to resist advances of wages. The one ideal of the workmen appears to be to receive the highest wages, but to give in return the least production. The result is that the production in bricklaying has decreased from 17 yards in 1885 to $7\frac{1}{2}$ in 1912; from 7 cubic yards in stone-walling in 1882 to $3\frac{1}{2}$ yards in 1912. To leadership, conciliation, and arbitration the building trades have shown equal opposition. As a consequence, the building industry is inefficient and contracting, and the result is national loss.

In the building industry, inefficient buying and unjust selling, whereby half value is produced for full wages received, have produced unemployment for both capital and labour. Inefficiency produces national loss.

Mr. Alfred Evans, the General Secretary of the National Union of Printing and Paper Workers, said that at the bottom of the existing unrest was the deep impression that prevailed among the workers that when the war was over the employing class would take advantage of the chaos in nearly every industry to filch away from the workers the benefits they had been able to win for organized labour during half a century. That was one of the root causes of the present unrest. The workers of the country were anxious to do everything they could to help the Government to bring the war to a successful issue. Labour had done its full share and was prepared to do its full share of the work that remained to be done. Upwards of two and a half millions of workers had answered the call to the colours. But trade unionists were anxious that when the war was over and when the men came back, they should not return to find their positions taken up by underpaid labour; that they should not have been worsened in their circumstances for having given their services voluntarily and freely for the benefit of their country. In the railway and tramway industries, and in

the workshops, women were being daily employed to do men's work. There was justification for that. He was not opposed to the employment of women merely on the ground that they were women. In the organization which he represented there were nearly 14,000 women. They were out to uplift working women throughout the country. What they did object to was women being employed to do the same work at lower wages than men. If the woman was able to do work which a man had been doing she should not be used to reduce the standard of living or to break down the standard prices in any industry. He hoped the members of the British Association would use their influence to prevent women from being made economic slaves and from being used to reduce the price of labour. In many towns in the United Kingdom the average wage of women workers was not more than 9s. a week. Although the men through their trade organizations had been able to get war bonuses, a surplus of woman labour had prevented the women from getting any increase of wages, and many of them had been thrown out of work. The position of the woman worker was a scandal. Some people said we wanted more Trade Boards ; but he thought these Boards had been a ghastly failure. The Board for the box-making industry had fixed 3d. per hour as a living wage for girls. It was not even quite as good as that : most of the workers were on piece-work, and under the regulations of the Board, if an employer could show that 85 per cent. of his workers could earn 3d. per hour on the rate paid, it was considered to be satisfactory. There were many women, therefore, who did not earn the 3d. per hour through the week. He had a strong impression that the end of the war would not mean a big influx of labour back from the battlefield into the workshops. He did not think we were going to achieve such a victory as would enable us to do without a large standing army. We might have to be in a position to put three million men in the field at any time. That would mean that the women workers who had been introduced into various trades would stay in them. It was, therefore, a duty to see that these women were not exploited, and the best way of ensuring that they were not, was to organize them in Trade Unions. There was one bright spot in connection with the employment of women, and that was Lancashire, where, in the textile industry, they were paid equal wages with men for equal work. That was due to the

fact that they were organized in the same Unions with the men, and unless the Trade Unions realized their duty and undertook to protect and safeguard the interests of the women workers, who had for the first time been introduced into so many trades, the end of the war might see us faced with an industrial problem that would be as serious as the war itself, and have far-reaching effects upon the whole community.

The Rev. P. H. Wicksteed considered it difficult to take a very cheerful view as to the likelihood of unstrained relations between employers and employed in the near future, for beneath the many encouraging indications there lie stubborn forces that make for conflict, though we may hope not for bitter hostility.

To begin with, the tone of personal respect which the leaders of both sides who have met each other face to face in industrial disputes invariably adopt (so far as my observation has gone) in speaking to and of each other, and which we have seen exemplified in our debate to-day, is of happy augury ; but at the same time it is easy to see that there is beneath it all the exertion of a strong mutual pressure in which each side is endeavouring to convince the other of something it is unwilling to see, and failing that to push it somewhere where it is unwilling to go. And the real trouble is that there is a deep and perfectly genuine intellectual cleavage as to the meaning and concatenation of the main factors of industry, let alone the difficulty of ascertaining the specific facts or estimating the probabilities in any special case. In other words, there are no clearly defined and generally accepted elementary principles of economic and industrial science ; and therefore no one can speak with authority on the controlling forces which underlie any given situation.

For the conditions under which an expert opinion can acquire compelling force are broadly these : There must be a general acceptance of the first principles upon which the expert works, and there must be an assured faith that he has the power and the training which enable him to pursue those principles in their applications and implications further than the rest of us can do, that he exercises that power in perfect sincerity and honestly gives us the results of his investigations.

Now in the case we are considering none of these conditions is fulfilled. Whenever a speaker touches incidentally upon questions

of economic theory in this room—that is to say, be it understood, reveals his conception of the fundamental facts with which he is dealing—he is sure to fall into what half his audience regards as an economic fallacy ; and perhaps any two of us would agree that this morning's discussion has bristled with economic fallacies ; only when either of the two went on to specify which they were, the harmony would at once be broken ! It would be an enormous gain if this chaos of honest opinion could be in any degree reduced to order ; and much may be hoped from such agencies as the Tutorial Classes in which men accustomed to disinterested intellectual investigation meet men in daily contact with hard facts, and both are actuated alike by the sincere desire to understand.

But we must not expect too much from such investigations. The problems themselves are in the highest degree complex, and it is almost impossible to prevent men's wishes from warping their judgments when they are engaged in investigating them, or in applying the principles they accept. Take an instance from the field of sociology rather than economics proper. It is possible that most of us in this room might acknowledge the profound significance of Auguste Comte's remark that the twofold use of the word " People " in all the Western languages to signify indifferently the whole nation or the proletariat, is an instinctive recognition of the fact that the unprivileged masses are the real body politic, and that the privileged classes must be either their organs or their parasites. If we accepted this principle we should agree that the very existence of the capitalist or the employer must look for its social justification, if it is to have any, in its utility as an organ of the proletariat, for whose weal it exists. And this apparently was the line that Sir Hugh Bell took in his delightful paper. But this helps us only a very little way. For suppose we all of us entered upon an investigation in perfect agreement as to the principle, would not some of us *wish* (or what is almost equally bad, be suspected of wishing) to find out at the end of our inquiry that the capitalist and directing organs were of extreme importance and should be cherished, encouraged, and developed—always in the interests of the proletariat—with the utmost care and generosity ; and would not others of us wish that they should turn out to be of quite subordinate importance, owing whatever significance they may have to faulty organization, and marked out for speedy

elimination? Now where there are, or are supposed to be, such marked differences in desires it is very difficult not to believe that they influence opinions. We have had some very frank speaking to-day on the subject of the value of the defence of the present distribution of industrial revenue, on the plea that it accords with the true interests of the workers; and it is no secret that the leaders and representatives of the working classes, who have been directly and expressly evolved as organs and nothing more of the rank and file of their unprivileged associates, are hardly at liberty to be convinced on any point of fundamental importance that runs counter to the wishes of their clients, and are under constant danger of the suspicion of conscious or unconscious desertion of their true organic functions, and of slowly transforming themselves from organs into parasites of the body to which they are attached.

But yet after all, however much we may desire that this or that should be the fact, or however much we may be convinced that it is so, we have no *wish* to break our heads against the facts because we don't like them; or to nurse delusions because it would be nice if they were true. We all really want to know the facts if we can, for we are always dealing with them and nothing else; for, whatever we may think, we see nothing, but the facts are there, and it stands to reason that we can better deal with them if we see them than if we see something else instead of them. Strikes and lock-outs are a desperate attempt to get at the facts, when argument and negotiation have failed to bring about a sufficient approximation of opinion as to what they are; and it has been brought out again and again to-day that in the cotton trade—where for a variety of reasons the facts are more widely and precisely known than in any other great industry, though there are constant rumours of war—it has come to be an almost fixed belief that there will never be war *à outrance*, because each side knows that the debatable margin, though worth getting, is not worth fighting for.

For what, then, may we hope? I think for this: That while discussion and investigation go on on every side, and unremitting attempts are made to establish at least some elementary principles of economics that may win or command universal assent, while personal respect may be increased by personal relations on boards

of conciliation, and even in conferences between avowed opponents, while legislative and industrial experiments are being made and publicity of relevant facts sought rather than shunned on all sides, there may arise a strengthened feeling that behind the struggle of wills and the diversity of desires, there are certain controlling facts and principles which are imperfectly understood and which it is of supreme importance to understand better. That will not prevent strikes and lock-outs, but may it not lead to the perception that in their essence they are really only one, and that the least desirable of a number of methods of investigation, in which there may be something for the two sides to contend for against each other, but in which there most certainly is something—and that something of supreme importance—for them to find out together? That would be no small gain in itself, and it would hold in itself the seeds of yet far greater gains.

Mr. Alfred Smalley, J.P. (Bolton), who spoke last, said that in the consideration of Industrial Unrest he was in an exceptional position, as at 10 years of age he was working as a half-timer, had been secretary for ten years of a trade union with nearly 20,000 members, and was now head of a labour department of one of the largest syndicates in the City of Manchester.

Whilst he agreed that Co-operation had many good features, he did not consider it would create industrial harmony, and pointed out that the Co-operative Employees' Trade Union was one of the strongest in the country, a fact which indicated that such employees considered it necessary to organize in their own interests on the same basis as those employed by private firms, whilst strikes frequently occurred in co-operative workshops.

He was of opinion that one of the most important causes of labour unrest was the increased knowledge of the workers arising from the facilities of the Education Act of 1870, and the subsequent Free Education Act. But as the education of the masses of the workers was imperfect, they took narrow views of their position, and until the mental development which was now in progress had been further advanced, he was afraid there would continue to be unrest. He recognized that much of the unrest was justifiable, and we need not be afraid of it, if only it could be directed into the right channel.

It was an admitted fact that, where labour was unorganized,

wages were low, and generally the conditions of employment bad. In this connection, too, it should be remembered that the membership of Trade Unions, as shown by the Trades Congress Reports, and the Board of Trade Returns, had during the past few years increased by 200 to 300 per cent. A large number of the added members were working under adverse conditions, and what to the general public had appeared an industrial upheaval had been the attempt to bring about uniform wages and conditions, which was a very desirable and urgent project.

Much of the agitation, however, which brought about recent troubles had been caused and fostered by irresponsible men who, with revolutionary views, formed the extreme, and aggressive section of the Unions, and as the policy of most Unions was decided by not more than 5 per cent. of its membership, it would be seen that the more reasonable men were too apathetic, and had allowed themselves to become involved in labour troubles against their better judgment. Much misguided unrest would be avoided if such men took a keener, and more active, interest in deciding their own policy.

He would like to see set up to deal with disputes some machinery which would obviate strikes and lock-outs. But he was certain that the mass of the workers were not prepared to accept compulsory arbitration, which they viewed with suspicion, because compulsory arbitration also meant to some extent compulsory labour if effect was given to the awards of arbitrators.

In the mind of the average working-man it was not possible to secure an arbitrator with the necessary knowledge of a particular trade to approach a question without bias, and it was owing to this and other causes that the Industrial Council, so ably supported by Sir Charles Macara, had not fulfilled the hopes which many people anticipated when it was inaugurated.

He believed much might be effected by Boards of Conciliation, and did not consider that any difficulty had arisen or was likely to arise which was incapable of settlement if both sides approached the matter in a fair and reasonable spirit. By constantly meeting together in this way confidence would be gained which would tend towards industrial harmony.

He would like to see the decisions arrived at between Federations of Employers and Workmen enforced upon unfederated firms and

workmen, and thought that agreements mutually entered into should, during their currency, be made legally binding upon the contracting parties.

There was no cause for undue pessimism, for he believed that, with a broader outlook which was being gradually developed in the minds of all concerned, many of the recent upheavals would not be repeated.

The President of the Section (Professor Scott), summing up the discussion, said that the different speakers were to be congratulated upon the manner in which they had stated their views, and what was very satisfactory and to a large extent justified the holding of that long conference, was the approximation to a common point of view. In summing up and commenting on the discussion, he proposed first to consider why at the present time there were signs of an acute position in the labour world. Why had this question of economic friction become pressing? War involved a great deal of dislocation. Many people who had got into the habit of working in a recognized way were subject to a certain amount of upheaval, and were thrown out of their normal method of working. That struck one at first with regard to production. Thus, the dislocation of industry re-acted upon employers and employed. Both employer and worker were anxious to see that they were not damnified, and so the changes introduced by war tended directly to increase industrial friction. Moreover, the dislocation of war produced certain temporary monopolies, which raised the question of war profits and the taxation of war profits. There was also a monopoly of skill, because when the number of skilled workers in a particular industry became greatly reduced, there was created an element of monopoly. In the third place, there was a scarcity of some goods, which tended towards a rise of prices, and that, of course, increased the cost of living. The rise in prices, unless counteracted by an increase in nominal wages, diminished the value of real wages, and that was another element causing friction. As a partial corrective of that friction arose the question of war bonuses. Here, he thought, we had the main causes of the industrial friction of the present time. We might bear these inconveniences better if we were sure that they were temporary, lasting only for the war period. But the war had lasted sufficiently long to place many of our industries upon a war basis, and when we went back to a

peace basis, a converse change would have to be made, and the probability was that the friction would be intensified.

But when we put on one side the special and temporary causes which were making for economic friction, there remained other and purely general questions. Before the war began there were causes that, on the one hand, were making the labour question increasingly difficult : there were others, upon the other hand, tending to bring about an easier and speedier settlement of labour disputes. Upon these general questions it was necessary to take a wide and comprehensive view. What had interested him personally, and what he thought was very fruitful in the course of the debate, was that there had been speakers who described themselves, on the one side, as employers, and, on the other side, as representatives of organized labour, and a tendency appeared on both sides towards a large measure of recognition of identity of interests. That was exceedingly hopeful and satisfactory, so far as it went. But there was to be found among the rank and file of the employers and among the rank and file of the employed quite a different point of view. There was the employer who thought that cheap labour was the best labour for him. On the other side, there was the workman who believed that as a good trade unionist he should endeavour to get as much out of the employer as he could, and give as little as possible in return. The difficulty was that in both cases the question of efficiency earnings, which he suggested were the ultimate and real earnings of labour, had been thrown over altogether. How was the gap between the two sides to be bridged ? Unfortunately, one could not produce any single formula. The best one could do was to suggest lines of action which might conduce towards a broader outlook by both sides. It might do no harm, to begin with, if both interests had a little more acquaintance with economic principles. And as a deduction from this, a widespread realization of the necessity of lessening industrial friction was required. Just as in mechanics, valuable services had been rendered to engineering in reducing friction, so, in industrial organization, one form of progress would consist in the lessening of that great source of social waste through economic friction, to an excessive extent in the adjustment of wages when it involved an interruption of the process of production. Secondly, one could not help being impressed by the avoidance of disputes in the great cotton trade, and the reasons

assigned for it. It would be an immense advantage if other trades would take as a model the methods of the cotton trade in the adjustment of wages, and so promote the same mutual knowledge of the conditions of the trade. Such knowledge would enable each side to realize more fully the difficulties of the other. His third point was that it would be well if both employers and employed took more pride in the work done. The spirit of co-operation in that sense—the mutual facing of difficulties and the overcoming of those difficulties, and the recognition that everyone who contributed to the work had a share in the result achieved—would conduce to the avoidance of friction. There was a fourth and minor point. That was the extension of co-operative principles and profit-sharing. These had a value up to a certain point. But if we depended upon them alone, the difficulty was that a very long time must elapse before a sufficient amount of industry had been transformed to either of these methods of organization. In the fifth place, and finally, he believed we were only just beginning to see the benefit of conciliation, and this was a point upon which there was a considerable amount of agreement between employers and employed. A really more serious danger than the conflict between labour and capital, was conflict between different kinds of labour—taking labour to embrace every kind of worker who produced anything or rendered any economic service. Difficulties of this kind might introduce very serious defects into our social structure. He urged both upon employers and upon employed that there could be no such thing as any one interest holding up the nation. The nation as a whole had always sufficient resources to deal with any attempt of that kind. It was almost impossible for any strike or lock-out to succeed when public opinion was definitely against it. But public opinion had seldom had the chance of making its influence fully felt. Public opinion must have knowledge to exert itself with effect. It was by the formation of a well-informed public opinion that a very powerful moderating influence could gradually be brought to bear. By adequate knowledge and full discussion of the points at issue, the great body of the British public, which had a considerable amount of common sense, might become the ultimate court of appeal in a dispute. If it decided definitely in favour of one side, it would not avail for the other to continue a strike or lock-out.

CHAPTER XV

INDUSTRIAL UNREST

At the Manchester meeting of the British Association, 1915, the discussion reported in the last chapter was organized to consider this important industrial subject, and to decide whether it would be advantageous to carry out an investigation and make a report at the Newcastle meeting. As a result, it was decided to proceed with an investigation, and for this purpose the Committee of Recommendations made a generous grant.

The following Committee was then appointed: The Rt. Hon. Charles Booth, The Rt. Hon. C. W. Bowerman, M.P., Sir Hugh Bell, Bart., Sir C. W. Macara, Bart., The Ven. Archdeacon Cunningham, F.B.A., Professors S. J. Chapman, E. C. K. Gonner, W. R. Scott, F.B.A., Mr. Sidney Ball, Mr. H. Gosling, J.P., L.C.C., Mr. Howard Heaton, Mr. Pickup Holden. *Chairman*, Professor A. W. Kirkaldy. *Secretary*, Mr. Egbert Jackson.

At the first meeting of the Committee a list of points for consideration was drawn up, and this was circulated to a large number of interested persons, in addition to the members of the Committee, so that the views of employers and labour representatives might be ascertained. Visits were paid by individual members to industrial centres, and there was a great amount of personal interviewing. In Birmingham some meetings of both workers and employers were held, and at these the Chairman and Secretary were able to gather a good many interesting views and to ascertain the feelings of many of the parties concerned. The results of these inquiries were reduced to the form of memoranda which were widely circulated, with a request that they be returned to the Secretary with criticisms appended. From these sources a draft report was compiled which was circulated amongst members of the Committee, who met and discussed it.

The following chapter is the result of these labours. It consists of three main divisions—

- (A) The Causes of Industrial Unrest.
- (B) Attempts at diminishing Industrial Unrest.
- (C) Recommendations.

Section A gives the main views expressed as to the causes of friction. It was thought well to publish these even in cases where there might be some difference of opinion as to their worth or importance, for they show more especially the attitude of working people. It is necessary to realise the point of view held by the various sections of the industrial world, if a successful attempt is to be made to bring about harmony. After carefully weighing the alleged causes of unrest, and after considering attempts which have been made to bring about industrial peace, a number of recommendations have been outlined in Section C, and it is hoped that these may prove helpful in the solution of the great problem now facing the British people.

New conditions are producing an entirely new industrial situation. There is a need for greater productivity in all our leading industries. This greater productivity is a possibility, for we have not yet, in normal times, worked our hardest or produced our maximum. This, however, in the opinion of this Committee, can only be attained by perfecting methods and organization, and to this end the question of cardinal importance demanding solution is that of distribution. A healthy maximum production depends on a system of distribution which is acceptable to all parties concerned.

Whilst, on the whole, accepting the substance of the report, some individual members reserve their opinion as to certain views expressed.

Report on Industrial Unrest

A.—CAUSES OF INDUSTRIAL UNREST

The main causes of unrest which have been suggested include—

1. The desire of workpeople for a higher standard of living.
2. The desire of workpeople to exercise a greater control over their lives, and to have some determining voice as to conditions of work. These include a consideration of the effects of *speeding up* on the one hand, and of limitation of output on the other.
3. The uncertainty of regular employment.
4. Monotony in employment.
5. Suspicion, and want of knowledge of economic conditions.
6. The desire of some employers for more regular and satisfactory labour.
7. The effects of war measures.

The problems of modern industry on its social side cannot adequately be studied apart from the conditions created by the pressure of commercial forces and by the requirements of manufacturing processes. Any policy of conciliation of interests must be based on a realization of the interdependence of those questions of Labour on the one side and Capital on the other, which are too often considered apart from one another.

It may be added that, even from the point of view of the well-being of the working classes, there are elements of hope as well as of danger in the technique of modern production which just now call for examination.

CONSIDERATION OF ALLEGED CAUSES.—(1) *The Desire of Work-people for a Higher Standard of Living.* The demand for an increased share in the products of industry and the desire for a higher standard of living have been brought into greater prominence, largely because they are more easily understood and can be expressed in more definite terms. They resolve themselves superficially into a demand for higher wages, and naturally this aim appeals readily to the rank and file of labour. To the majority of wage-earners the difference between nominal and real wages is fairly well known, if not understood in all its theoretical aspects. An increase in the prices of the ordinary necessities of life at once makes itself felt, because it frequently entails the cutting down of some important items of expenditure. The margin of luxury is in general so small, even amongst the better-paid workers, that a comparatively small retrenchment comes as a hardship, and amongst the lower-paid workers may indeed involve the sacrifice of something essential to their well-being. It is noticeable that the great outburst of industrial unrest in recent years has been coincident with a rise in the cost of living; and the revival of industrial strife after the truce of the early months of war, followed upon a considerable and steady increase in prices, especially of food. This is shown in the table on next page.¹

The proportion of working class income which is spent in normal times on food varies between 67 per cent. amongst the lowest paid, and 57 per cent. amongst the highest paid workers.² The importance, therefore, of any rise in food prices is considerable,

¹ Compiled from figures given in the *Board of Trade Labour Gazette*.

² Board of Trade Inquiry, 1904. Quoted in *Labour Year Book*, p. 211.

TABLE XIV.

Months.	Index Number of Retail Prices of Food (Board of Trade Returns). July, 1914 = 100.	No. of Disputes beginning during month.	No. involved directly, in thousands.
1914.			
January	—	54	30.6
February	—	67	16.0
March	—	105	17.6
April	—	99	25.2
May	—	140	34.5
June	—	118	33.6
July	100	99	45.7
August	116	15	1.9
September	111	23	2.9
October	113	27	5.0
November	113	25	4.6
December	117	17	1.2
1915.			
January	118	30	3.4
February	122	47	26.1
March	124	74	12.9
April	124	44	5.1
May	126	63	39.9
June	132	72	17.9
July	132½	40	202.1
(S. Wales Coal Strikes)			
August	134	49	23.9
September	135	55	14.1
October	140	47	10.5
November	141	40	8.3
December	144	17	2.8
1916.			
January	145	38	9.0
February	147	38	9.3
March	148	44	53.6
(Dundee Jute Workers & Liverpool Dock Labourers)			
April	149	55	9.9
May	155	41	11.9
June	159	—	—
July	161	31	21.2
August	160	26	14.0
September	165	36	5.8
October	168	40	13.2
November	178	21	31.9
December	184	14	10.2
1917.			
January	187	19	5.6
February	189	27	8.7
March	192	29	21.4
April	194	29	14.7

TABLE XIV. (contd.)

Months.	Index Number of Retail Prices of Food (Board of Trade Returns). July, 1914 = 100.	No. of Disputes beginning during month.	No. involved directly, in thousands.
1917.			
May	198	42	28.5
June	202	41	17.0
July	204	48	35.0
August	202	49	43.4
September	206	73	51.2
October	197	69	41.2
November	206	72	93.9
December	105	40	15.1
1918.			
January	206	98	41.8
February	208	82	21.5
March	207	83	27.5
April	206	57	13.7
May	207	71	83.4
June	208	86	48.8
July	210	90	64.8
August	218	84	208.8
September	216	101	110.7
October	229	79	53.6
November	233	43	31.3
December	229	51	120.1
1919.			
January	230	105	443.3
February	230	62	47.7
March	220	64	172.9
April	213	85	46.2
May	207	170	66.9
June	204	127	509.3
July	209	126	326.6
August	217	91	71.0
September	216	90	580.0
October	222	53	13.0
November	231	48	9.3
December	234	61	29.6
1920.			
January	236	86	24.0
February	235	122	82.0
March	233	184	96.0
April	235	134	88.0
May	246	204	78.0
June	255	183	65.0
July	258	147	37.0
August	262	139	38.0
September	267	93	50.0
October	270	71	1131.0
			(Coal Strike 1100.0 18th Oct.)
November	291	60	15.0
December	282	34	62.0

TABLE XIV. (contd.)

Months.	Index Number of Retail Prices of Food (Board of Trade Returns). July, 1914 = 100.	No. of Disputes beginning during month.	No. involved directly, in thousands.
1921.			
January . . .	278	44	8.0
February . . .	263	63	14.0
March . . .	249	42	12.0
April . . .	238	—	—
May . . .	—	—	—

and although overtime and increased output considerably augmented the earnings of some classes of munition workers for the period of the war, the rise in the cost of living has been a heavy additional burden on *all* classes of workers. What is of consequence to the workers is their real remuneration, and it may be argued that a rise in the cost of living justifies a corresponding rise from the pre-war scale of earnings.

In this aspect of the question there is more involved, however, than the mere maintenance of the present standard of living. Workpeople desire to raise their standard, and this desire has been stimulated by education. That it is justifiable and even laudable few will deny, but the extent to which improvement is possible is limited by the industrial development of the nation. It is impossible to raise the general standard of living indefinitely by raising wages, *without at the same time raising the productivity of our industries.*¹

(2) *The Desire of Workpeople to Exercise a Greater Control over their Lives.* A further group of causes of industrial friction arises from the desire on the part of the workpeople to control their own lives, and have some determining voice as to the conditions under which they shall work. And here will be considered the important effects caused by *speeding up* and limitation of output. The democratic movement has, in recent years, extended from political to industrial life. Whilst disputes concerning wages are still the most numerous, the proportion concerned with questions of shop management, discipline, and Trade Union principles has been increasing. The full significance of such demands seems not to

¹ This is more fully discussed, p. 181, *Recommendations.*

have been realized by the workers themselves, and it is only quite recently that they have been formulated with any definiteness by labour groups in various parts of the country. It is probable, however, that such demands will play an increasingly important part in the industrial life of the future.

Perhaps the most important claim that organized labour has hitherto made is that it shall have some power in deciding as to the output of workers. The policy of restriction of output is defended as being a protection against *speeding up*, and the consequent reduction of wage rates. Many workmen claim to have experience of actual wage-cutting, alleging instances of men being induced to work particularly hard for a short time and then their rates being fixed on the new basis. Such practices should be condemned. It is important that employers should realize that there is a gain in the increase of a man's output quite apart from the total amount of wages which the man receives. The overhead charges that each article has to bear may be lessened and the cost of production may be decreased at the same time that the amount of wages earned increases. The cutting down of piece rates may actually be very uneconomical, and is certainly an important source of friction. As one result of this investigation, it has been over and over again made plain that both employers and employed need to be reminded, that so far as wages are concerned there is a radical difference between the points of view of the parties concerned. The employer should give his attention to the *cost of labour and not merely to the amount of wages paid*. It matters comparatively little how much a workman receives each week so long as the cost of production is low and the output large. On the other hand, to the workman, the vital point is that his real wages shall be the utmost possible. It is very false economy to reduce wages by means of speeding up, if the result brings about a more than corresponding decrease in output, owing to its deliberate limitation.

Limitation of output has sometimes been advocated in order to benefit the members of a trade by preventing specially good workers from setting a standard to which less skilled workers could not attain, and by distributing the work to be done amongst a larger number of workers. This last conception is based upon the work fund theory, which assumes that there is only a certain amount of work to be done, and therefore, if a certain number of men work faster

than the average, there will be less employment for others. This theory is also used to support the demand for a shorter working day. Though a shorter working day may be justifiable on other grounds it is important that its fundamental fallacy should be made clear. If the present organization of industry were static and prices were fixed at their present level, it would be true to talk of a work fund. But everything which tends to lower prices, tends also to increase the demand for commodities and consequently the demand for labour. Thus, apart from the improvements constantly being made in machinery, methods and organization, any increase of the productivity of labour tends to lower the cost of production and, consequently, the selling price. Limitation of output then cannot increase the demand for labour, it may even lessen it, and undoubtedly it tends to lessen the amount available for paying wages.

Another claim which organized labour has put forward is that of determining the classes of workers who shall be employed on particular jobs. In the past organized labour has often used its power to prevent the employment of women in particular kinds of work ; this is also manifested in a refusal to work with men who are not members of a Trade Union. The determination to make Trade Unions of greater importance in industry comes to a large extent from the knowledge that the more perfect their organization, the more easily will they be able to increase the material benefits which they can obtain for their members. But there is more in it than this. Workpeople believe that the power to control their own lives and the conditions under which they work—i.e. industrial freedom—can only come through a strong and disciplined organization. Many employers insist upon their right to employ non-unionists ; some, because they do not consider it right to enforce membership of a society in that way, others, perhaps, because they do not wish to see the Trade Unions growing too strong. The increasing importance of the non-unionist problem has brought into prominence the suggestion of compulsory membership of Trade Unions. Labour opinion is very divided on this question. Although some now urge such compulsion by the State, there are still large numbers who would oppose it, because it would seem to involve compulsory arbitration and State control of the policy of the Unions. At any rate, whatever be decided on this question, it seems reasonable that employers should recognize the right of their employees to

negotiate with them through their Trade Unions. Although it may be more difficult to resist the workers' demands when thus organized, it is easier to negotiate with such an organization than with individuals, and it should thus be possible to secure uniformity of conditions throughout a given trade.

In many minor ways organized wage-earners have attempted to show their determination to control conditions of employment. For example, strikes have been declared to resist the dismissal of a workman for what the men consider an inadequate reason, to resist what is considered to be harsh conduct on the part of foremen and gangers, as well as to enforce good conditions of work in the factory. All these demands are in effect claims to some share of control over the discipline of the workshop. In this connection it may be mentioned that a local conference of wage-earners in Birmingham recently sent to the Trades Council a series of resolutions concerning the reorganization of industry, of which the chief claim is for "some measure of control of the workshop, with corresponding responsibility for output and discipline." It is obvious from this that some of the workers are asking for much more than an increase in wages; they are, in effect, asking for a change of status. They are dissatisfied with the status of the wage-earner, and call into question the actual relationship that exists in industry to-day between the different factors concerned. In fact, workpeople are taking up a position which will preclude a mere patching up of quarrels, or a mere scheme of wages adjustment. What they aim at is a change in the relationship between employers and workpeople.

(3) *The Uncertainty of Regular Employment.* Quite as important as the question of wages in dealing with the standard of living is that of the *uncertainty of employment*, and all the workpeople who have submitted memoranda to this Committee agree in emphasizing this as one of the main causes of industrial unrest. The degree of uncertainty varies from trade to trade, and amongst such workers as the dock labourers is so great as to justify the phrase *casual labourers*. The majority of workers are employed for no fixed term and may be discharged at comparatively short notice. Although normally their employment may be steady and certain, in times of depression many are actually discharged, and this causes a feeling of insecurity even to those who may

claim to be highly skilled. The slender resources of working-class families, and the very close relationship existing between employment and livelihood, make this uncertainty a powerful factor in their calculations. It is often said that the workers live constantly within a week or two of the workhouse. The fact that comparatively few are ever plunged into extreme poverty makes little difference. The possibility of such a calamity is always present and the fear of it is great. Unemployment insurance has lessened the evil for certain large groups of workers, but the benefits are not enough to save the married worker from running into serious debt if his spell of unemployment be at all prolonged, and the majority of workpeople have hitherto been entirely unaffected by the scheme. *From the social point of view in general, and from the point of view of industrial harmony in particular, it is desirable that employment be made as regular and steady as possible.*

Efforts have already been made with some success to decasualize labour at the ports and docks ; this movement should be improved and extended. With regard to more skilled workers, something might be done by establishing the custom of giving longer notice to those whom it is intended to discharge, whilst the extension of unemployment insurance to all workers and the increase of benefits would lessen the hardship which lack of employment has hitherto involved. The expenses thus incurred should be added to the cost of production, and would no doubt have to be balanced by increasing the output per unit of capital and labour.

(4) *Monotony in Employment.* That there is considerable monotony in some employments cannot be denied, and in many industries there is more to-day than there was before the introduction of machinery, but constant repetition work is gradually being taken over by machinery, which is becoming more and more automatic. It is desirable that such monotony as exists should be lessened as far as possible, for constituting, as it does, a considerable strain on the nervous system, it predisposes the workers to unrest. Monotonous work quickly becomes uninteresting and irksome. It is important, however, to bear in mind the distinction made by Professor Marshall between monotony of work and monotony of life. It is the latter which is to be dreaded. The city worker is compensated for the greater monotony

of his work, as compared with those engaged in agriculture, by shorter hours of employment and the greater variety of his life during leisure time. Comparing the different classes of workers in manufacturing industry and commerce, however, it cannot be said that monotonous work is balanced by greater opportunities of a varied life outside the factory or office. And, at any rate, work takes up the greater part of the time even of the urban workman. Thus, if monotony of work is inevitable under modern conditions, it is at least desirable that the industrial and social conditions of workpeople shall be so improved that their life as a whole may have variety. There are probably sufficient opportunities for pleasure and recreation in modern town life. What workpeople need are opportunities for a broader education and the material means of obtaining recreation. Inside the factory too the evil effects of monotonous employment may be lessened by improved conditions—brighter and healthier buildings, as well as by a better distribution of rest periods.

(5) *Suspicion and Want of Knowledge of Economic Conditions.*

One, if not the chief, cause of unrest appears from the opinions submitted to the Committee to be the suspicion that exists among a large section of workers that they are being exploited. This is due to a variety of reasons.

Foremost amongst these is a want of knowledge of the facts concerning the economic condition of a given industry. Very few of either the employers or workpeople know all that they are entitled to know of this, and hence on both sides there is more or less misapprehension. Labour, especially, is in the dark as to market conditions, profits, and the commercial and financial position as a whole. Nothing is more conducive to unrest than suspicion born of ignorance. A parallel might be drawn between the present state of the industrial sphere in this respect and the somewhat similar unrest which existed in the financial and banking spheres during the first six or seven decades of last century. The recurring crises were to a great extent due to, or at least intensified by, suspicion resulting from want of knowledge. Of recent years the panic element has been largely removed from these crises, and at any rate one great cause of this is that knowledge and experience have very greatly lessened the suspicion that used to work so disastrously.

It is possible that if the relevant facts were available to all concerned, much of the suspicion among workers would be seen to be baseless.

(6) *The Desire of some Employers for more Regular and Satisfactory Labour.* (i) In several districts and in very diverse occupations, some employers complain that during busy periods workmen are apt to work irregularly. They will perhaps work three or four days with overtime, and then fail to put in an appearance for two or three days. If questioned, the men probably say that they had earned sufficient to meet their needs for the current week and did not see any necessity for working the full six days. This is, of course, exceedingly annoying at times—and may be disastrous during times of national crisis. Output is curtailed; valuable machinery, which might be running continually, is only doing part work; and from more than one point of view the conditions thus occasioned are more than regrettable.

The trouble is probably most common at ports and docks—(e.g. the troubles at Liverpool during the congestion)—and in shipbuilding yards. At least it is from these centres that the complaint comes.

To find a solution it is necessary, however, to consider the problem thus raised from other points of view. At docks and in the shipbuilding industry employment is, at the best, fluctuating. Busy and slack times are probably more distinctly marked in those occupations than in any other. Workpeople who suffer from irregular employment are notoriously the least inclined, in general, to practise thrift and put by for "a rainy day." Hence, a great many of those thus employed accustom themselves to a comparatively low standard of living, and it may be suggested that in these occupations the very conditions of work are, in some cases, an incentive to indulgence in drink and gambling.

Thus, one must consider the subject also from the worker's point of view. He has to put up with slack times. When these come he is paid off; there is little question of consulting his convenience, and he has to order his life accordingly. When busy times come he is expected to work continuously, and often for long hours. It is true that he is paid for his work; and sometimes, with overtime, his earnings may be quite considerable. But the conditions are now reversed, and he has the clear right to consent or not to the call that is made upon him.

We would suggest that, in the first place, every effort should be made to minimise as much as possible irregularity in employment, and especially in wage earning. Unemployed insurance might assist in this latter point. And even though the cost of this were shared by employers, it might in the long run prove to be a financial gain, as it might and probably would result in a more reliable labour force.

The standard of living should be raised, the working of overtime should be discouraged ; and wherever and as far as possible, men should be accustomed to the earning of regular wages.

If employers claim the right to work their men continuously during busy times, and pay them off when work is slack, the men have an equally good right to curtail their working hours when things are busy.

The practice of thrift and forethought would help matters. If men, working in occupations where there must be a certain amount of irregularity of employment, could be persuaded to fix a standard of living, and, by saving when earning above the average, level up their earnings so as to keep to a steady standard, a great point would be gained. To employers we would say : Do your utmost to regularize employment, discourage overtime as much as possible, and, above all, remember that the labour force is as human as you are and should be treated accordingly. To the workers in occupations where these difficulties arise, we would say: Look ahead, estimate what the year's work will bring in, exercise thrift when work is plentiful, and thus average out your earnings so as to enjoy the highest standard possible.

(ii) Some employers complain of the growing tendency towards uncertainty in the labour force. In their opinion, during the past few years labour has been less reliable and less efficient. They attribute this to a variety of causes ; as, for instance, that recent legislation has placed labour in a position of advantage as compared with other sections of the community ; that labour feels its growing political importance and even power, this being increased by the vote-catching devices of political parties ; that the teachings of social reformers, ranging up to bolshevism and class war, have had, or are having, their effects.

(iii) Some employers also point out that the above-mentioned tendencies lead to restriction of output, and hence the sinking of

further capital in plant, machinery, and extensions is a matter for very serious consideration ; in fact, that these tendencies account for the persistence, in certain instances, in this country of obsolete methods and equipment.

(iv) Another complaint made by certain employers is that where time rates are paid the standard of work and the pace of the least skilled and slowest man employed in the work in question is apt to set the standard for the whole. To meet this objection, at any rate one attempt was made by the men themselves to improve matters by introducing a system of grading. The National Society of Brassworkers and Metal Mechanics elaborated a scheme which is described by its originator as follows¹—

“ My object is to form a minimum standard, which shall regulate trade custom and recognize skill, dexterity, or ingenuity at their true value, and give to the best mechanics an opportunity of earning wages in proportion to and as a reward for their extra zeal and accomplishments.”

This method of grading workmen according to their skill and attainments deserves serious consideration, and should be brought before conferences of employers and employed when discussing wages questions.

(7) *The Effects of War Measures.* During the war, other conditions played their part in causing industrial friction. When the war broke out, the workers as well as employers, impelled by a sense of loyalty, hastened to settle their outstanding disputes and to proclaim an industrial truce. This truce only lasted until the early part of 1915, although, as the figures which we have already quoted show, the number of disputes throughout the war was considerably lower than in the months immediately preceding the outbreak of hostilities. In so far as the truce was broken, however, the most important cause was the growing rise in the cost of living ; and this was aggravated by the high profits which many companies showed, especially those concerned in shipping. It seemed to the workers that the needs of the nation were being exploited for the sake of private gain : and the fresh outburst of strikes in 1915 was as much a protest against such exploitation as a demand for higher wages.

¹ Cf. *The Life Story of W. J. Davis, J.P. Frontispiece.* For particulars of the scheme cf., *ibid.* pp. 274-281.

Both employers and employed found their freedom of action curtailed by the various measures taken by the Government during the war, nor was it unnatural to find that both parties chafed under the restraints imposed upon them, especially under the irksome condition created by the Munitions of War Acts, whilst the decisions of the tribunals in some cases appeared too harsh to the workpeople. The irritation thus caused on both sides undoubtedly increased the possibility of friction, and the danger was intensified by the physical strain involved in long hours of work at high speed. Thus conditions during the war were more than usually unfavourable to industrial harmony, and it speaks much for the loyalty and self-restraint of all parties that the number of disputes was so small.

B.—ATTEMPTS AT DIMINISHING INDUSTRIAL UNREST

These include—

1. Conciliation and Arbitration Boards.
2. Arbitration { (a) Voluntary.
 { (b) Compulsory.
3. The Industrial Council.
4. Profit Sharing and Co-Partnership.
5. Co-operation.

(1) *Conciliation and Arbitration Boards.* In many industries arrangements exist for dealing with disputes as they arise. Either permanent Conciliation and Arbitration Boards have been set up to which all disputes are automatically referred, or the rules of Trade Unions and Employer's Associations provide for the summoning of joint conferences when occasion requires. The success of these arrangements naturally depends upon both employers and workers being well organized and involves recognition of the Trade Unions by employers. Where such recognition is withheld, it is obviously difficult to construct machinery for dealing with disputes, and it is likely that differences occurring between employers and men may involve strikes and lock-outs.

The number of permanent Conciliation Boards and Joint Committees has steadily grown in recent years, and the value of their work is shown by the small proportion of cases referred to them which ultimately involve stoppages of work. In 1913, 195 Boards and Joint Committees took action within the knowledge of the

Board of Trade, and together they dealt with 4,070 cases of dispute. Of these they succeeded in settling 2,283 cases: 291 cases were settled by umpires whom the Boards and Joint Committees appointed, and in only thirty-one instances did any stoppage of work occur. The function of these permanent Boards is to bring the employers and workers together to discuss and settle the differences existing between them. In the event of no agreement being reached, arrangements often exist for the appointment of one or more arbitrators whose decision it is agreed to accept. But the system being voluntary, the workers always retain the right to enforce their demands in the last resort by striking. Conciliation is always more satisfactory than arbitration so far as it goes, for arrangements made by mutual agreement are more acceptable to both parties and consequently more likely to be kept. It is desirable that the machinery of Conciliation Boards should be extended and perfected, and that it should be made a permanent feature of each industry. This was attempted by the organization of the Industrial Council. (See pages 129 and 178.) The temporary Joint Committees called together when disputes have arisen are less satisfactory from this point of view. By the time they meet the dispute may have developed considerably, passions may have been aroused, and it is the extremists of both parties who are likely to be chosen to negotiate. The chances of a peaceful settlement are thus considerably lessened. What is needed is a permanent Board or Committee to which all disagreements shall be automatically referred as soon as they arise.

(2) *Arbitration. (a) Voluntary.* There are many differences that cannot be settled by mutual agreement, and the only method that has been tried for dealing with them so as to avoid strikes and lock-outs is to refer them to the arbitration of a third individual or group of individuals. Arbitration has been much less used than conciliation, and has certain inherent disadvantages. It is difficult to find an arbitrator whose impartiality is beyond dispute, and who at the same time knows the industry thoroughly. He is likely to belong, either directly or indirectly, to the employing class, and consequently, with the best intentions, to sympathize with their point of view rather than with the workers: if the award be likely to be distasteful to one or both parties concerned, there are no means of enforcing it, and in consequence

it may be of little effect. As a matter of fact, it is rather surprising how few awards are rejected on the whole. A system of fines for breach of arbitration awards has been adopted in isolated instances, but it has never become general nor is it likely to do so.

The difficulty of agreeing as to the arbitrator to be chosen sometimes results in referring the matter to the Board of Trade. Under an Act passed in 1896, the Board has the power to intervene in any dispute and to bring the parties together for conference. It may also appoint arbitrators when invited to do so by the parties concerned. At first it contented itself with merely appointing arbitrators when thus asked, but in more recent years it has taken the initiative in several important disputes, and during the war its activity increased considerably. State intervention in industrial disputes may play a more important part in the future than hitherto, but it is important to realise its limitations and disadvantages. Unless actually invited to settle a dispute, the Board of Trade has no means of knowing any disagreement that exists until matters have gone so far that a strike or lock-out is threatened or actually in progress. In most cases it is too late to avert a stoppage of work, and quite apart from the loss involved the difficulty of settling the dispute is then much greater.

The arbitrators appointed by the Board of Trade do not appear to enjoy the confidence accorded to arbitrators chosen by the parties concerned. The appeal to the Board is usually made as a last resort when neither party is inclined to accept the other's claims. Thus, from the outset the arbitrator is in a difficult position. From the point of view of the men, too, there is the further cause of suspicion that he is likely to be connected with the employing class, and to appreciate their interests more fully.

(b) *Compulsory.* The war led to a great extension of State interference in economic matters, and not the least important of these was the introduction of compulsory arbitration by the Munitions of War Act, 1915.

The problem of compulsory arbitration has been much discussed in this country, and on the whole both labour and capital are strongly opposed to it. Its actual introduction as an emergency measure, marks a new stage in the controversy. The stress of war, and a patriotic desire to serve the national cause, disposed both employers and workers to accept the arbitrary ruling of the

State in matters affecting their interests. But such a disposition may disappear when national need no longer calls for an obvious and active self-sacrifice. It would be unwise to maintain a system of compulsion whilst both sides continue to regard it with more or less active dislike. Indeed, it would be impossible to do so without the consent of the majority of those concerned.

Arbitration, whether voluntary or compulsory, is subject to the same limitations in the industrial as in the international sphere. Whilst it may be adopted satisfactorily to determine matters of fact, questions of principle are beyond its scope. - The interpretation of an existing contract is obviously matter for arbitration. Questions of wages and hours of work, though more difficult to determine, are also subjects for arbitration. They involve decisions as to material advantages, which can be expressed objectively in terms of money or time. It is generally possible to arrange a compromise between the two parties. But when disputes occur concerning principles there can be little hope of compromise. The principle must either be accepted or rejected, and if the difference between the two parties is too great for one to give way, it is almost impossible to avert strife. For example, the struggle over Trade Union recognition is more bitter on both sides than one over a change in wages. No arbitrator can decide the matter satisfactorily. It cannot be expressed objectively: it is a matter of the attitude and will. We have already pointed out that questions of principle, especially in connection with the control of workshop conditions, may be expected to play a larger part in industrial unrest. Only with great difficulty could such questions be settled by arbitration, and the only method of securing a satisfactory state of industrial peace on matters of principle is to bring about an agreement between the parties concerned. It will no doubt involve such a modification of the industrial organization as will be generally acceptable to either of the interested parties, as regards either the distribution of the products of industry or the control of conditions in the workshops. Some of the demands put forward by the workers we have already considered, and others we shall have to consider in putting forward our recommendations. Here it may be enough to point out that the community as a whole is a third party to every dispute. It is, perhaps, impossible to find any arrangement that will wholly satisfy the

desires of both employers and workers as such, but what is more important is that the decisions of our industrial organization shall appeal to the sense of reasonableness of the community as a whole. No group of employers or workers can long defy general public opinion.

(3) *The Industrial Council.* This Council was established in the year 1911. It consisted of twenty-six members and a chairman—thirteen members representing employers, and thirteen representing labour. The chief industries in the country were thus represented equally on both sides, and Sir George Askwith was appointed Chairman of the Council, with the title of Chief Industrial Commissioner.

The reasons and occasion for the establishment of the Council are given in the following statement issued by the Board of Trade, dated 10th October, 1911—

“ His Majesty’s Government have recently had under consideration the best means of strengthening and improving the existing official machinery for settling and for shortening industrial disputes by which the general public are adversely affected. With this end in view, consultations have recently taken place between the Prime Minister and the President of the Board of Trade, and a number of representative employers and workmen specially conversant with the principal staple industries of the country and with the various methods adopted in those industries for the preservation of peaceful relations between employers and employed.

“ Following on these consultations, and after consideration of the whole question, the President of the Board of Trade, on behalf of His Majesty’s Government, has established an Industrial Council representative of employers and workmen. The Council has been established for the purpose of considering and of inquiring into matters referred to them affecting trade disputes ; and especially of taking suitable action in regard to any dispute referred to them affecting the principal trades of the country, or likely to cause disagreements involving the ancillary trades, or which the parties before or after the breaking out of a dispute are themselves unable to settle.

“ In taking this course the Government do not desire to interfere with but rather to encourage and to foster such voluntary methods or agreements as are now in force, or are likely to be adopted for

the prevention of stoppage of work or for the settlement of disputes. But it is thought desirable that the operations of the Board of Trade in the discharge of their duties under the Conciliation Act, 1896, should be supplemented and strengthened, and that effective means should be available for referring such difficulties as may arise in a trade to investigation, conciliation, or arbitration, as the case may be.

"The Council will not have any compulsory powers."

Then follows a list of the first members appointed. Although the Council has been in existence since 1911, its services have not been utilized to any great extent. This is somewhat surprising seeing with what high hopes its establishment was welcomed.

(4) *Profit-sharing and Co-partnership.* Attempts to re-arrange industrial relationship so as to prevent friction have been made in the form of profit-sharing and co-partnership. Under these schemes, which should be carefully distinguished from productive co-operation (the aim of which is to eliminate the employer altogether), the ordinary relations between employers and workers are maintained, but the latter are given a share in the net profits. In some cases profit-sharing has been successful, but in its present form it would be best regarded as an experiment in industrial method, and is not likely to be a definitive solution of the problems of industrial unrest so long as labour is opposed to it. Many workers feel that it has often been introduced to stimulate the zeal of the employees whilst only giving them a small portion of the returns from their increased output; that it is, in fact, a device to obtain extra production at comparatively small cost. There is also the serious objection that profit-sharing tends to weaken Trade Unionism and the solidarity of labour. Without their Unions, workers feel that they are at a disadvantage when dealing with their employers. Anything which tends to weaken the Unions naturally cannot meet with the support of the workpeople. The practice which is sometimes adopted of deferring the payment of profits to workpeople, and the conditions which are often imposed upon them that they shall cease to be members of any Trade Union or remain with the companies for long terms, and refrain from strikes upon penalty of forfeiting their shares, are interpreted by the workpeople as expressing a desire to weaken their power of attack and of resistance to the demands of their employers. Where men are

striving for the control of their own lives and not merely for a little more remuneration, such conditions are not likely to be tolerated.

The existing systems of profit-sharing and co-partnership hardly meet the claims of labour for a share in the control of industry. It is true that in many cases the workers' shares of the profits are left with the company until the amount of a share in the company has been saved, and that the owners then become ordinary shareholders. The proportion of shares held by the workers, however, is so small that they can exercise but little influence in the company. In many cases, indeed, the power of such worker-shareholders is expressly limited. In the few instances in which they have the right to appoint a certain member of the directors, the proportion of such directors is too small to be able to effect much difference in the management. No matter what arrangements are made, the effective control of the industry remains in the hands of the employers.

(5) *Co-operation.* As an ideal, the organization of industry under a system of Co-operation presents a very attractive picture. Co-operation, as taught by Maurice and Owen, would result in a system wherein perfect justice was meted out to the industrial community. At the time when the Industrial and Provident Partnership Act, passed in the middle of last century, recognized Co-operative Societies, high hopes were entertained as to the future of the movement. But almost contemporaneously Limited Liability trading came into operation, and those who adopted this policy were for the most part experienced business men who knew the value of the skilled organizer. Hence, since the ablest entrepreneurs and abundant supplies of capital were available for the one system, whilst Co-operators relied upon themselves and were unable to attract capital in sufficient amounts for the bigger enterprises, the result has been that for the most part Co-operation has not been successfully applied to production, although it has been successful in the distributive trades, and in supplying these trades by the establishment of the Wholesale Societies. When Co-operators realize the causes of their partial success, a further development may become possible. Ideally, this method of organization has so much to recommend it that its success is to be desired. Six decades are a short period in industrial history. Experience in trading and in organizing the smaller industries may in time lead to bigger

things being successfully attempted. Healthy progress has been, and is being, made. Nor is there any reason why Co-operation should not become during the present century a much more important feature in our industrial and commercial life.

C.—RECOMMENDATIONS

The work of this Committee has been carried through under abnormal conditions. The war has not only very materially changed the national outlook, but has brought within the range of practical politics an industrial reorganization for which many people had hoped, but apparently in vain.

To a great extent the advent of peace has ushered in a period of reconstruction, and in the industrial sphere there is the possibility of making a new departure. Further, the necessity for revising our methods of production has been emphasized again and again by the events of the past few years, and the experience gained from the manufacture of munitions of war has made it plain that parts of our industrial system require readjustment.

Facts and opinions have been submitted to this Committee which it is not easy in the comparatively short time available to consider adequately. Nevertheless, it has been possible to draw up the following recommendations which it is hoped may prove helpful in the solution of the greatest industrial problem that has ever faced a nation. Other problems of great magnitude have arisen from time to time, but never before has a great industrial opportunity stood out so clearly, demanding decisions that must be made without hesitation or undue delay.

The aim of this investigation has been to discover certain general principles which must underlie a harmonious economic organization. Before the problems of industrial unrest can be solved, these principles must be applied to particular industries. With their special application this Committee has not dealt, and the following recommendations include only broad principles capable of wide application. They may be divided into groups according as they concern—

- (1) The general attitude and outlook of employers and workmen.
- (2) The machinery for dealing with disputes.
- (3) The organization of industry.
- (4) Post-war arrangements.

1.—THE GENERAL ATTITUDE AND OUTLOOK OF EMPLOYERS AND WORKERS

(i) That there should be frankness on both sides and that both employers and workers should discuss industrial matters together, or through duly accredited representatives.

The need for frank discussion of the problems which lead to industrial friction has been pointed out by almost all who have submitted opinions to this Committee. Much of the suspicion with which the different parties regard each other is due to ignorance. The separation of employers and workmen in ordinary life has led to a wide divergence in their ideals and points of view. Class consciousness exists amongst both, and the effect of this can only be mitigated by greater contact with each other and by free discussion of matters affecting both. Only thus can they come to understand each other, and such an understanding is the first essential to a solution of the problems of industrial unrest. For this purpose it is desirable that they shall meet, not only when they have differences to settle and when disputes have already arisen, but also to consider general problems of industrial organization which affect the interests of both : that their joint conferences shall not always be of a negative character, but also, and to a much greater extent than hitherto, positive and constructive. At the present time they meet for the most part as opponents, and this is hardly conducive to mutual understanding. Conferences of employers and employed in particular firms and in industries as a whole might with advantage be made a regular feature of industrial life. It would lead to a better understanding between Capital and Labour if employers were to lay before the men they employ all the information possible concerning the industry in which they are both working, *information that both parties are entitled to know should be freely available to both*. The lack of such information tends to intensify suspicion and uneasiness.

The dawn of Peace has brought with it many industrial problems that will demand urgent solution. It is important that we should be prepared as a nation to meet the new situation ; for the emergency not only affords an opportunity for workers and employers to commence their constructive conferences, but imposes upon them a duty to consider together matters which for the most part rest

in their hands and which are so vital to the welfare of the nation as a whole.

(ii) That employers should consider the collective cost of labour and not the total amount of wages earned by the workman each week.

It has often been pointed out that the cheapest labour is usually the best paid labour; and this has not only been emphasized by economists, but demonstrated in actual practice by employers themselves. It is desirable that this should be recognized by all employers. It is admittedly the function of the latter to lessen the cost of production as much as possible; and labour is an important item in this cost. On the other hand, it must be remembered that the welfare of the workers engaged is more important than the cheapening of production, and that this should not take place at the expense of the wages—the real wages—of labour, that these wages, indeed, should be gradually raised as far as possible. The cost of labour, however, can be lowered without lowering wages, either time or piece rates, by making the best of it. The possibility of this depends to a great extent upon the removal of the restrictions upon output imposed by the workers themselves. These restrictions, as we have shown in a previous section, are unsound economically; but they are due, at any rate partly, to the attitude of those employers who look at the amount of wages a man receives rather than at the cost of the labour involved in the production of each commodity. With a change in this attitude; we might reasonably expect the workers to give up their restrictions. Some employers have long recognized this, and are rather pleased than otherwise if their men draw high wages at the end of the week. *It must be said, however, that the majority of employers still adopt the narrow attitude described, and it is necessary for the majority to change before we can hope for a change in the policy of Trade Unions.*

(iii) That the fundamental facts and principles of Economics should be known by both employers and employed.

A better understanding of each other's problems and a change in the attitude of each party towards the problems of industry depend upon improved education. Most important is a good general education, and, in addition, it is desirable that all concerned shall obtain a training in Economics. Those who belong to the

employing class should be encouraged to study the principles underlying industry and commerce, and facilities should be given for the working classes to study social and economic science. We believe that serious study, honestly undertaken with a desire for truth, will be of incalculable advantage, not in the industrial sphere alone, but in the life of the community as a whole. Knowledge of Economics would modify the tendency towards class war on both sides ; there is really a greater identity of interests than divergence.

2.—MACHINERY FOR DEALING WITH DISPUTES

(i) That workers and employers in each industry should extend and improve their organizations with a view to determining jointly the conditions under which the special industry should be carried on.

In connection with the perfecting of Employers' Associations and Workpeople's Unions, the suggestion has been made that membership of these should be compulsory on all those engaged in the trades thus organized. This raises some very difficult issues. Where is compulsion to stop ? Should we not run the risk of making our system too rigid ? Would the superficial uniformity thus obtained be gained at the expense of elasticity ?

Careful consideration suggests that, at any rate for the present, a wiser solution would be that—

(a) The State should recognize approved Associations of Employers and Trade Unions.

(b) When these organizations in any given trade have come to an agreement as to wages, hours, conditions of employment, and certain other points, the whole trade in the district affected, both employers and employed, should be bound under penalty to work in accordance with the agreements.

If this were done, both individual employers and workmen would have freedom of action as to joining the Association or Union controlling their special industry. But all those who wished to take part in that industry in the district affected by agreements made between recognized Associations and Unions would be compelled to work in accordance with the agreements, and this would effectually prevent *blacklegging* on either side.

Interest and not legal compulsion would thus induce all to join

their trade organizations, and the many serious problems raised by compulsion would be avoided.

(ii) That in each industry permanent joint boards or committees should be set up to consider all matters of common interest to both employers and employed.

In a previous section we have pointed out the value of the permanent as against the *ad hoc* joint board. These boards, to be successful, should be entirely representative of the industry or locality concerned, and they can only be so if appointed by organizations which include the majority of persons in the trade. Their existence involves the mutual recognition by each other of the rights of Employers' Associations and Trade Unions. We have already suggested that these committees would be more valuable if they included in their functions something more than the mere settlement of disputes, and it is desirable that they should meet to consider important problems concerning the organization of the industry. It may be objected by employers that this is admitting labour to a position of equality with themselves. But it should be remembered that both are parties to a co-operative act. Their functions may be different in kind, but in degree there is neither inferiority nor superiority.

(iii) That there should be a National Joint Board, composed of representatives of employers and workers, to which the local and industrial joint boards should refer disputes which they have been unable to settle.

A Joint Committee of elected leaders would, for reasons we have already indicated, be a better body as a Court of Appeal than any department of the Government or a board appointed by the State. A Joint Committee was actually appointed by the Government in 1911, under the title of The Industrial Council,¹ but its services have not been utilized. We consider it highly desirable that this Council should be reorganized, that the members should be elected by the representative organizations of employers and workers, and that binding force should be given to their decisions.

(iv) That both employers and workmen should be absolutely loyal to the decisions and agreements made by their organizations.

¹ Cf. p. 129.

3.—THE ORGANIZATION OF INDUSTRY

(i) *That the necessity for co-operation between employers and employed be frankly recognized by both parties.*

We have already pointed out that the functions of Capital and Labour in industry are interdependent. Neither can effect anything without the help of the other, and both are further dependent upon the factor of enterprise and organization. The permanent welfare of industry can only be insured by full and harmonious co-operation. Anything which tends to lessen the amount of capital available for industry, or to lower the quality and quantity of labour, or to remove the stimulus to enterprise and organization, can only have a detrimental effect on industry, and will injure the efficiency of the other factors. The reward of all parties concerned can only come out of the finished products of industry, and anything which diminishes the amount of these products diminishes the amount which is divisible amongst the agents in production. The restrictions imposed by their own organizations upon the output of workers are a case in point. There is a limit beyond which it is economically unwise to work, because the physical effect upon the workers is such that their total output is diminished. It is essential from the point of view of the welfare of industry, that workpeople shall not be over-fatigued by their work, and that they shall have sufficient leisure between their periods of work to recuperate fully. This work-limit needs to be determined by observation and experiment ; at present it is far too little known and considered. To restrict output within this limit is detrimental to industry. Indeed, so long as the physique and well-being of the operative is not adversely affected, present conditions demand the greatest production possible, and any other restriction is ultimately disadvantageous to labour.

It is our opinion that workers should modify their policy of restricting output and that employers should refrain from excessive speeding up. It should be possible to obtain in many industries a standard working day and a standard speed for machinery which would be a rough indication of the point at which the industry would attain its maximum long-period efficiency. Such standards should be recognized by the associations of employers and workpeople. These arrangements could best be applied to

industries which are highly organized and in which employment is regular. In industries where gluts of work alternate with periods of slackness, and where work is not standardized, the problem presents more difficulties, and the first essential is to organize the industry so as to decasualize it, as far as possible.

To show that the output of industry depends upon the co-operation of the various agents of production is not enough. The great problem of how the joint product shall be shared amongst those who contribute to industry still remains ; and the willing co-operation which we have shown to be desirable can only be secured if the different parties concerned are satisfied with their share of the product.

(ii) Suggestions have been made that this Committee should frame recommendations on the subject of a minimum wage, and the fixing of the rate of interest on capital utilized in industry. We do not, however, feel ourselves called upon to do this. The conditions in different trades and districts are so varied that it would not be possible to make hard and fast rules on either point. The local or central joint boards, which we suggest should be organized on a definite system, would have all the facts before them, and would be in a position to decide these as well as other matters affecting the detailed working of individual trades.

(iii) The co-operation between workpeople and managers should go further than the mere distribution of the products of industry. The carrying out of the processes of production, as we have seen, involves a series of co-operative actions which can be accomplished best if the parties concerned work together with full confidence in each other. This spirit can be attained only if all those engaged in industry feel that they have some share in determining the conditions under which the work is carried on. At the present time these arrangements are made by the managers, and if the workpeople are not satisfied with them, they may attempt to force concessions by withholding their labour.

How far is it possible for the workpeople to take part in the organization ? With such things as the marketing of products, labour is only indirectly concerned, but with others (e.g. workshop arrangements and the speed of machinery) it is directly concerned. Those functions of organization which are concerned with bringing together the different factors in production, determining the

proportions of these factors in any enterprise, and bringing the product to the consumers, must remain in the hands of the managers. It is important that the most capable persons shall have the management, and the best way of securing this is to leave the system of free enterprise as it exists to-day.

Variations in the demand for an article, or in the price of raw materials, may involve changes in the kind of machinery, the proportion of machinery used in relation to other factors, and so on. These are questions which are dependent on the judgment of those who are responsible for the higher management, and must, therefore, remain under their control.

(iv) There are other branches of organization concerned with the detailed working of factories which might be carried out by co-operation between the workers and the management. They are functions which, in a large factory, are sometimes delegated to works managers and foremen, and concern the precise arrangements as to hours of work, rest periods, working shifts, speed of machinery, the subdivision and grading of labour, discipline, etc. These matters might be determined with the assistance of a committee of workers who know the conditions existing in the factory. Such arrangements could not be left entirely in the hands of the workpeople without any conditions as to output. A certain minimum output would have to be fixed for each workshop so controlled, and it would be to the interests of the industry and all those engaged in it to increase this output as much as possible. Such a committee would be able to guard against excessive speeding up, and would remove one of the main causes to which restriction of output is attributed. Industry would be likely to gain, not only from the removal of these restrictions, but also from the more willing co-operation of the workers and the possible saving in the cost of supervision. It is reasonable to expect that fewer foremen and supervisors would be required.

(v) We have assumed so far a condition of industry in which the organization is stable or subject to slight and gradual changes. It is necessary, however, to take account of the improvements which are constantly being made in the technique of industry, and which may result in such considerable changes in the processes of manufacture that its organization has to be changed considerably.

When a manufacturing firm introduces new labour-saving machinery or a new process which diminishes the amount of labour required for a given operation, an interesting economic situation is created.

The interested parties may be affected as follows—

(1) **THE EMPLOYER** has adopted the machine or process with the aim of decreasing cost of production, but he seldom expects to keep the whole benefit of this for himself or his shareholders. Usually, he hopes by being able to reduce *prices*, to compete to better advantage, and thus increase the demand for his goods, which, again, may lead to decreased cost in production.

In order to introduce the machine or process with as little friction as possible, certain workmen will be selected and offered higher wages to undertake the new work; and these arrangements are made as quietly as possible in order to minimize the possibility of friction.

Thus the effect to the employer, generally speaking, may be—

- (a) Decreased cost of production.
- (b) Lower prices and increased demand for the special commodity manufactured, and hence reduced overhead charges.
- (c) Less labour employed, but that labour may receive somewhat higher pay.
- (d) Increased profit—but not the initial maximum, as that in the long run would not produce the final possible maximum.

(2) **THE WORKER.** *First Effects.* A certain proportion may receive an advance in wages and probably work with less exertion. Some labour is displaced. This may be utilized in other departments, but at first there will probably be loss of employment for some of those previously engaged. Thus, to this extent there may be some hardship to labour occasioned by the new method.

Workers may attempt by lessening the output to increase the amount of labour required under the new conditions—this, if persevered in (as it is in many cases), occasions an all-round loss, especially to labour itself, in the long run. Should the new machines be automatic, or semi-automatic, there will be required a few skilled workers for setting, and then semi-skilled or unskilled workers to attend to the machines. The effect of this may be that—

- (a) So far as the work in question is concerned, a few highly skilled workers will be required to work with a number of unskilled.

(b) The designing and making of the machines may require increased numbers of highly skilled machine makers.

(c) It raises the serious question as to what extent repetition work may tend to lower the standard of skill among workers. For it is clearly a waste of labour to employ highly skilled men to watch machines that can be tended equally well by less highly trained labour. And in this connection both employers and workers should seriously consider, among other things, what the introduction into this country of new equipment may mean to the skill of our industrial army.

Is it necessary or possible to take measures to preserve the old skilled trades ?

Is it practical politics to attempt this under modern conditions ?

If not, we have a serious problem to face, and this should be made clear to *all parties concerned* in all its bearings.

RECOMMENDATIONS as to the policy to pursue when new machines or processes are available which will lessen the amount of labour required for a given operation—

1. That the employers should make a forecast as to the exact effect of the new methods, this to include—

(a) The gross financial benefit.

(b) The saving in labour employed on present output.

(c) Possible increased demand consequent on a certain decrease in price.

(d) The amount of new capital required to finance the change.

(e) The eventual effect on the labour employed.

2. That this forecast should be considered by both the employers or their representatives and by the workers affected or their representatives.

3. That an arrangement be agreed upon, equitable in the long run to all parties concerned, with due regard to the fact that—

(a) Capital takes all the financial risk of the new methods ; but

(b) has hitherto had the advantages of any immediate gain.

(c) Labour, at the outset, may be diminished in numbers employed, though eventually a new process results in the employment of more labour, and probably in the preservation of the industry. Thus, there may be an immediate and serious loss to part of the labour hitherto employed.

(d) Some labour may benefit immediately (i.e. if increased pay be given to those working the new method).

(e) Labour is employed in designing and making the machine.

4. Consider to what extent temporarily displaced labour can or ought to be compensated by means of unemployment insurance or by a percentage of the increased product.

When considering this subject, it should be remembered that the new machinery or process may be operated by a new company, established either at home or abroad, to compete with firms already in the trade, and that, if this new company be successful, both Capital and Labour working under the old conditions will be affected. There would, thus, be some difficulty in arranging a scheme of compensation, except that labour, if the industry enjoy unemployment insurance benefits, would be indirectly compensated.

(vi) It will be obvious that in the foregoing recommendations we have had in mind manufacturing industries which are highly organized, where production is more or less standardized, and employment regular. The arrangements we have suggested would not be so easy of application to industries concerned with transport, or to industries where the workers are widely scattered. It is just as important, however, that the principle of co-operation should be adopted in these industries, even if its application has to be varied to meet the different conditions. In a railway company, for instance, it should be possible to establish a joint committee of the representatives of the workers and managers to determine the conditions of work, and deal with all matters of difference between the workers' unions and the management.

To summarize briefly what we suggest for the improvement of existing industrial organization.

Employers should be organized into—

(a) Associations of one trade in a given district.

(b) National associations of one trade.

(c) Local federations of trades.

(d) National federations of trades.

Of these, (b) and (d) would be organized under a system of representation.

Workpeople should have unions and federations corresponding to those of the employers, and in both cases the national federations should be carefully organized councils enjoying a large measure

of authority, tempered by the necessity to win and preserve the confidence of their electors.

From these two representative bodies there could be elected an Industrial Council as a court of appeal, representative of the whole industrial activity of the country. So far as these various bodies were approved by the State they would enjoy far reaching powers.

Approval by the State should depend on the observance of moderation and the working in conformity with carefully devised regulations. For the State in this matter would be the representative of the consumer and of the national interest. Under this system, workpeople would enjoy all the advantages aimed at by the extreme party such as the Syndicalist, but the dangers and risks inseparable from a revolutionary policy would be avoided.

4.—POST WAR ARRANGEMENTS

(This was written in 1916, but parts of it are still of interest.)

(1) *Demobilization.* This may cause an immense amount of friction unless it is very carefully organized. For instance, if the men be released from the colours gradually, those who are freed first would secure the pick of the vacancies in industry. There is also the problem of the semi-skilled and unskilled men and women who have secured a new wage-earning status during the war. A further problem will be how to deal with partially disabled members of the forces, finding them suitable occupations, with, possibly, a minimum rate of pay.

During the war, the man at the bench has helped almost as much as the man behind the gun. Many men have severed their connection with a firm, for whom they may have worked for a long period, in order to do munitions work. Thus many problems will arise as soon as the war ends and demobilization commences.

It is recommended that without unnecessary delay there be established District Boards of really practical men—the majority consisting of employers and workmen who know the facts; and it be the duty of these Boards to consider the various problems and have power to deal with each case as it arises, their special work being to supervise the reinstatement in industry of those who have left their employment either to fight or to make munitions.

(2) As to Special Agreements which will end with the war. The Government, in arranging terms with the Unions as to the withdrawal of restrictions, the dilution of labour, and other similar

points, guaranteed that at the end of the war all these concessions should automatically cease. Thus, superficially, there is no question as to what must happen. Nevertheless, there are certain new conditions that require stating.

Many factories have been re-equipped with new types of tools and machinery, and to these the old conditions of work do not, at any rate in their entirety, apply.

This gives the industrial world an opportunity to overhaul its methods and organization, and make a new agreement as to wages, conditions of employment, etc. Workpeople have something substantial to bargain with—and if employers act wisely a great advance may result.

There will be a period of considerable anxiety to all parties when peace is made. It is possible that for a time at least international demand may be very great, and industries may be prosperous. But there must be taken into account the possibility of greatly increased international competition. If we can utilize our new equipment to the full, there need not be undue pessimism as to our ability to compete. The need will be for employers and workpeople to reconsider old agreements, and arrange, on terms acceptable to both, for increased output if there be increased demand. One of our labour correspondents, writing on the possibility of a shortage of work after the war, says that "in that case all workers working should be put upon short time. They are entitled to it after so much overtime during the war"—and he adds that there ought to be systematic arrangements made to prevent over-production.

(3) In view of what may occur industrially and commercially when peace is declared, it is suggested that some of the most experienced business men in the country should, by means of their special facilities for obtaining information as to markets, supplies of raw materials, and financial conditions, make a forecast as to what may be expected both in home and foreign trade. That when this forecast has been thoroughly considered and, as far as possible, tested, it be submitted to the representatives of labour, who, in turn, shall look at the forecast from their point of view, and that then both parties shall meet and endeavour to agree on a policy to meet whatever is anticipated—either (a) increased or decreased business; (b) less or keener competition in the markets; (c) the sharing of gains or the meeting of losses.

Note by the late Mr. Sidney Ball (written in the year 1916)

The Report of the Committee does not go beyond the suggestion of improvements within the existing industrial system. But any movement that aims at far-reaching economic reform must be seen to involve something further and deeper than modifications of the system that exists : it involves a change in the system itself—the introduction of a new spirit and a new method into industry. The ultimate causes of industrial unrest are rooted in an industrial system of which the ruling motive is the idea of private gain rather than that of public service. In this respect there seems little to choose—except so far as the conflicting forces are unequally weighted—between the individualism of the “profit maker” and the individualism of the wage-earner. Both are infected by the same spirit and the same outlook ; and the result is that the industrial system is, in effect, a system of private warfare, and is as demoralized as it is demoralizing. No rules for equalizing the conditions of combat will alter its character ; they may even intensify it. The Trades Dispute Act is just as symptomatic of such a condition of things as any less legalized “device” of capitalism. So far from industry being organized for the attainment of the common good, it is organized merely for attack or defence—and the community as a whole is equally the prey of militant capital and militant labour.

The committee desires to substitute for the method of conflict the method of co-operation, for the idea of class war the idea of the solidarity of interests. But how is the new wine to be put into the old bottles ? The process presupposes much more than any change of method : it presupposes (as is, indeed, indicated) a change in the whole spirit and conception of industry. But that, again, involves much more than the “moralization” of the employer or of the workman. The new spirit, if it is to have any effect on the economic world, must be provided with appropriate and *relevant* machinery for its purpose ; otherwise it will be a soul without a body. This new spirit may be described in general terms as a socialistic spirit, in the sense that it starts from the idea of trade and industry as carried on for the common and public good. It is futile to suppose that such a spirit can penetrate or transform a system which is worked and organized on the opposite principle. The only way in which any genuine economic

transformation can be effected is by making the State, or the community organized as a whole, a partner—and in principle at least, the predominant partner—in industry. If this means in effect State control, it does not mean State management; it does not mean, that is, that industry should be managed by a State Department; it does not involve any change in *personnel*, though it does involve a change in *status*. The idea of Syndicalism—so far as it stands for industrial democracy or for the administrative self-government of professions and trades—must be recognized: industries can only be “managed” from within. The *role* of the State is rather what Aristotle would have called “architectonic”: it has to ensure that the industry is conducted as much in the interest of the community as a whole as in the interest of those concerned in the industry. *From a public point of view*, these interests are fundamentally identical. It is clearly the interest of the community to encourage initiative and enterprise: it is equally its interest not merely to protect but to develop the status and opportunities of labour—as is evidenced by that form of State control which is already exercised in the safeguarding of a “minimum” of wages, hours, sanitation, and education; and clearly, in its own interest, it will have to go much further. For this purpose, the kind of organization within the industry advocated by the committee is a necessary and indispensable step—more particularly the suggestion that effect should be given to joint agreement between organized employers and organized workmen by legislative enactment. But this is not enough: it might end (witness the history of the Bedstead Alliance) in an exploitation of the community by groups of producers. The State must be a third party to any agreement.

I cannot do more in this note than indicate the general principle: the form which the partnership of the State would take must vary in both kind and degree. The “vital” industries should be nationalized or quasi-nationalized: which, again, does not mean that they should be managed by State Departments—they must be self-managed but State-regulated. The presupposition of such industrial nationalization would be the re-organization of business and agriculture upon the lines of national “trusts”—to quote a writer in *The Times*, “on the lines of syndication upon a national scale, and with extreme publicity and public participation.” It is

only when industry is organized on these lines—the lines of public or quasi-public as against private, of large scale as against small industry, that it becomes possible to provide equally for the claims of management and the claims of labour, to secure for the workman that status in an industrial democracy to which he is entitled as a citizen, and to give any meaning or reality to the “dignity of labour.” It is only when it is organized on national lines that it becomes possible to “standardize” industry. To a comprehensive view, the future belongs neither to the prophets of individualism nor to what is generally understood by State Socialism. The next phase belongs to social reorganization, and that will take a corporate form and character, and be sustained and controlled by public supervision.

This will doubtless involve political as well as economic changes ; and can only be worked out by steps and stages. But the main thing is a change in the outlook for all concerned—the trader, the workman, and the community. If we have any conception of national or imperial purpose, industry must be regarded as not simply a concern of buyers and sellers, whether of commodities or (still less) of labour, but of public polity, and national welfare ; it cannot be regarded as an *imperium in imperio* : its policy must be considered from and subordinated to a national and imperial policy as a whole. The form and degree of the State’s participation in industry is a matter for detailed investigation ; what is immediately wanted is an urgent and comprehensive assertion of the principle, and a resolute application of it to the practice and conduct of industry in detail. These views, which I have long held, may be summed up in the conviction that a genuine nationalism or imperialism and a genuine socialism, properly understood, are different aspects of the same thing ; divided they are condemned to sterility, united they will lay the foundation of a genuine and healthy organism. And it is only by their union that the problem of combining unity and efficiency with the freedom and responsibility of groups or individuals can be secured. But (as I write) these views have been given prominence in a possibly significant quarter, and in a form to which I should, with some qualifications, subscribe. In a series of letters to *The Times* on “The Elements of Reconstruction,” it is argued that “the ruling idea to adopt in a national policy, the idea about which the rest of our policy can

be built as a body is built upon a backbone, is the idea of national syndication, the idea of grouping and amalgamating our industries, our food supply, and our labour organization, upon a national scale ; that only upon these lines can we hope to make our industries scientific and progressive, defeat foreign competition, and ensure a satisfactory home food supply, and come to an understanding and keep the peace with labour, and that the alternative to such a reconstruction boldly and openly planned and carried through is decadence and Imperial disintegration." This may sound, and indeed is, a big idea : but it is a big idea that is wanted. Only we must be careful that it is not too big (as it may very well be in the form I have quoted) to be compatible with the rights and liberties both of individuals and of nations.

Final Note by the Editor

The foregoing recommendations were published in the year 1916. Shortly afterwards the Government adopted the Report of the Whitley Commission, and, as a result, the Whitley policy was introduced. From that moment trades were enabled to set up Whitley Councils, and industries entered upon a new era. There are now two courses open to trades; there may be a Whitley Council or a Trade Board to consider and settle questions affecting the relations between employer and employee. The expectation was that Whitleyism would be adopted by the more highly organized trades, whilst sweated or unorganized industries would be regulated by Trade Boards. There is no hard and fast line, but there is rather more than a tendency for the Trade Boards to invade the sphere where the Whitley system should presumably be in operation.

The effect of the war was, in the first instance, to bring about a certain measure of industrial peace. For a time, at any rate, all worked together for the common aim—to win the war was the great question. The war, too, helped in another direction—it brought many employers and employees into closer touch and they got to understand each other better. The full effects of this can hardly yet be gauged, but are likely to have considerable influence on future developments. In some instances it was noticeable during the war period that workpeople were far more inclined to discuss and settle difficulties with the employers than with Government officials. Indeed, it may be generally stated

that one consequence of war conditions has been to modify such demand as existed for State control and nationalization of industries and services.

The war demand brought out clearly another important fact : recruiting depleted the available labour force very considerably, but although vacant places were filled up by patriotic, if at first unskilled, volunteers, the requirements of the armies were so huge that an immense increase in production was called for, and, impossible as at first sight it appeared, this increased production was obtained. The means by which this was attained were—

1. The patriotism of the Trade Unions in agreeing that for the period of the war various concessions as to conditions of work, hours, and output should be abrogated for the war period.

2. The patriotism of employers and firms in placing their resources and equipment at the disposal of the State.

3. The patriotism of women and of men unable to take their place among the combatants.

4. The scrapping of old machinery and methods, and the equipment of our factories with the most up-to-date machinery.

It would be difficult and perhaps invidious to say which was the most important of these, but undoubtedly patriotism and numbers could not alone have produced the required output had pre-war methods of production persisted. New methods and new machinery made the required output a possibility if the human factor was willing and gave unstinted effort.

When the Armistice was signed it was hoped that there would be a return to normal conditions. Apparently, too, this country had a unique opportunity to develop markets old and new, and to increase its trade in many directions.

Unfortunately, it soon appeared that there would be two great obstacles in the way of fully re-starting the machine of trade. In the first place, although the possible demand for all kinds of goods had been held up during the war period, both at home and abroad, and therefore there should have been a record demand for goods and services, it soon became apparent that, owing to the uncertainty in connection with questions of exchange, the world was faced with a very difficult problem. Gold had ceased to be the real standard, nor was it possible to restore gold or to find an efficient substitute to take its place. A transaction which

had, on paper, promised satisfactory profits might, on final settlement, be found to entail a serious loss. A period of speculation and an artificial situation were intensified, whilst prices, cost of living, and wages all soared in sympathy.

Labour, as was only natural, began to get alarmed. Demobilization entailed the freeing of millions of men who would require civilian employment, thus there gradually worked up a serious labour question. This found expression mainly in demands for increased wages, shorter hours, and better conditions. There was a rapidly growing condition of unrest. The question arises, what was really the root cause of this intensified labour difficulty? It may be suggested that among large sections of workpeople there was a growing anxiety on the subject of possible unemployment. The argument with many workers seems to have been that, with the new equipment and methods, it would be possible to produce the pre-war annual output easily in about six months. What is to happen to labour during the remainder of the year? A discussion of the question with a number of workers convinces one that there is a haunting anxiety on this subject, nor is it to be wondered at. If the world utilized its most efficient methods of production to the full, a comparatively small part of the population would be able to produce the normal demand of the whole community.

From another point of view, too, the industrial sphere is affected by war conditions. During hostilities every platform echoed with the cry and every newspaper emphasized the necessity to "deliver the goods." Our own existence and the liberties of the world were at stake. Success depended on superhuman efforts. The men in the field must be supplied with every requisite, regardless of the cost. As a consequence of this, not only new methods of manufacture, but most of the well-established rules for economical production, went by the board. There was no competition; the goods must be supplied. The general rule in this country was that payment should be on the basis of time and material, with an added 10 per cent. There was no incentive towards economical production. Some goods were produced at greatly enhanced cost, but what was even more serious, those responsible for organizing the industries of the country learned extravagant habits, and these are much more easily acquired than discarded.

With the advent of peace, the cry changed to "business as usual,"

but it was soon found that even where trade was not very materially affected by rates of exchange, competition would be fiercer than ever. The basis of our prosperity has, in the past, to a great extent been based upon cheap power, which has been available owing to our possession of coal resources which at one time almost amounted to a monopoly. During the past half-century, however, the fuel resources of other parts of the world have been developed, and this country no longer enjoys the position of advantage in connection with fuel that it once did. During the war period the price of coal, especially in this country, has advanced to such an extent that manufacturing countries, like America and Japan, have now a great advantage over us. As an instance of what has occurred, it may be recorded that a business man mentioned in conversation, in April, 1921, that whereas the small coal he required for his furnaces cost him 7s. a ton in pre-war days, he was unable to obtain it at less than 42s. at that time. Moreover, it must be remembered that in the manufacture of highly finished goods, coal is a necessity from the time the raw material is worked until the finished article is produced.

Thus, from what has been so far advanced, it can be seen that our trade is suffering from various conditions brought about by the war; problems connected with foreign exchange affect international trade, extravagant methods of manufacture in many instances persist, Labour is naturally anxious, and our advantages accruing from the possession of cheap power are in jeopardy. Added to these there are the heavy burdens connected with greatly increased taxation and rapidly rising rates, all of which press with special severity on our industries. Had Germany fulfilled the peace conditions and paid, not indeed the expense of the war or an indemnity, but merely for the unwarrantable losses inflicted on the Allies, the Government might have been in a position to mitigate the situation by granting subventions to certain industries and services. But this has been found to be impossible, and the withdrawal of subventions and control has, for the moment, added to the difficulties, though eventually that policy may be amply justified. It is not only economically right, but practically expedient, that all subventions and control should cease at the earliest possible moment. The application of Mr. Gladstone's wise dictum that the business of the Government is to govern and not to trade,

was never more needed than it is to-day. Happily, this appears to be widely realized throughout the country.

A period of reconstruction must necessarily be a period of anxiety. The old has to be discarded, the new adopted, and even where evolution works gradually, a leap in the dark is frequently necessary. At the present time, when nearly a century and a half has elapsed since the commencement of what is known as the Industrial Revolution, there has been a growing mass of experience, and in many directions there is a sufficiency of precedents to guide one's judgment. A century ago many mistakes were made through want of this experience, and, as a consequence, the transition caused many regrettable incidents. The coal strike, which is in being at the time of writing, presents a great contrast to the strikes of a few decades back. Violence, up to the present, has been conspicuous by its absence. The contest is a peaceful one. Reasonable men on both sides have managed, so far, to restrain the more ardent spirits. There can be seen in this the influence of education, not only the training of the ordinary schools, but the effects of such movements as the Workers' Educational Association and the University Extension Movement. Adult education is now being regularized and made rather more systematic. The great desire of the workers has been for instruction in such subjects as Industrial History and Elementary Economics, and it is not too much to say that the effect of this teaching on large numbers of the community, in making known the elementary facts connected with the production and distribution of wealth, has also shown the folly of class warfare. With suitable organization and the knowledge of what its economic position is, Labour is able to treat with Capital on more equal terms, and with more dignified methods. The problem that has to be solved resolves itself into getting a well-organized harmonious system of production, in order that there may be as great a body of wealth as possible available for the needs of the community. The greater the production, so long as the well-being of the producers is not in any way adversely affected, the higher may be the possible standard of comfort. The division of what has been produced among the factors has next to be considered. How can this be arranged so that all contributing factors may be treated with equity? Whitleyism has brought new possibilities in connection with the settlement of industrial difficulties. All the

interested parties meet through representatives, and the whole ground can be discussed with the fullest possible information on the various points at issue. The representatives of Labour can discuss market prospects with the organizers of their industries, and the real economic position of each can be clearly stated and ascertained. Thus, when considering competition in the world markets, the conditions of foreign competition, the possibilities of price, the effect of getting a footing in a new market or maintaining one's position in an old market can be considered in all their bearings, and the Council can decide whether it is advisable to modify profits, wages, or conditions of work, in order to be in a position to keep a greater share of world trade, or whether it is better in the higher interests of all to restrict the area of one's operations and concentrate in directions where standards may be maintained. Looking at the question from another point of view, whereas during the first three-quarters of the nineteenth century there were continually recurring crises which adversely effected both Capital and Labour, it is now realized that among the factors causing these was the fact that manufacturers were producing for an almost unknown market, and this resulted in the possibility of local over-production. But with better methods of market information, improvements in transport and communication, the information available has so greatly improved that the element of speculation tends to be greatly lessened in genuine business. This is an all-round advantage. When producer and consumer lived side by side, there was little danger of over-production. With the extension of the market and the producing for a market to a great extent unknown, the possibility of making mistakes increased enormously. At the present time the industrial world is getting nearer to the point at which it will be manufacturing for a known demand. Thanks to modern facilities, the producer and consumer are getting into closer touch. As information becomes more and more complete, so it will become increasingly possible to avoid the mistakes which adversely affected the factors in production.

The reconstruction that is taking place is not only national but international. The League of Nations is charged not only with the prevention of international frictions engendering a possibility of war, but there is the industrial section¹ charged with the interests

¹ For particulars of this see *Labour as an International Problem* (Macmillans, 1920). Appendix I of this gives the Labour Sections of the Peace Treaty.

of world labour. Thus, whatever may result politically, the foundation which has been laid towards producing an industrial solidarity of the nations gives some ground for optimism as to the future. The mechanism of trade and commerce is being reorganized. The great machine of International Credit is more generally understood. It is realized, as probably never before, that a high standard of comfort for the masses depends on the smooth working of the commercial machine, and that good banking organization keeps the machine running smoothly and steadily.

After all great wars there has been experienced a difficulty in re-starting normal conditions. The great struggle through which the world has just passed might have been expected to have had even more serious effects than it has had on trade and commerce. It would not have been surprising had the conditions which have developed, for instance, in Russia spread over a much greater area. Fortunately, the great industrial countries of the world, and especially this country, have gained knowledge and experience which should enable them to avoid the worst happening. It remains now to recognize that, in order to regain normal conditions, we must be prepared to pass through a period of effort. Extravagances, either in public or private expenditure, or in methods of production, must be rigidly curtailed. The abnormal consumption of world wealth, thanks to the war, demands the exercise of the greatest possible thrift all round in order to restore and develop the pre-war situation. The old world has gone ; by wisely using the experience of the past, it should be possible within a reasonable period to evolve a new world wherein production may be carried on harmoniously under a well-organized system, where the distribution of what has been produced may be equitable to all who have assisted in its production, but it must never be forgotten that, if the best is to be attained, well-organized production and equitable distribution must be accompanied by wise and temperate consumption.

PART III
WORKSHOP COMMITTEES

WORKSHOP COMMITTEES

BY C. G. RENOLD

CHAPTER XVI

INTRODUCTORY

DURING the past four or five years there has been a remarkable growth throughout industry of the idea of consultation, discussion, joint responsibility, and joint working between Employers and Labour. The right of Labour to concern itself with the general conduct, aims, methods, and results of an industry has been conceded and is now a commonplace of everyday thought. At any threat of trouble in an industry we immediately resort to a conference of the parties concerned, and Whitley Councils, Trade Boards, special conferences of all kinds, Shop Committees, and other similar arrangements bear witness to the same trend of thought.

This development aimed at meeting the growing state of tension in industrial life, and evolution was perhaps most rapid during the last two years of the war. There can be no doubt that, in the main, the various schemes for co-operation between Employers and Labour were put forward, and entered into, in good faith by both sides. That they have led to a good deal of disappointment is, no doubt, due to the fact that they were entered into with different, and opposing, hopes by the two main parties. Capital, represented by the Employers, hoped, by concessions, to obtain satisfied workers and to consolidate industry on its present lines, though doubtless purged of its grossest injustices. Labour saw, in the offers of joint councils or committees of various kinds, the beginning of a new order, in which control would be wrested from the Capitalists and vested in Labour.

Though much good work has been done, both parties have been disappointed, and since the Armistice something of a reaction has set in. Employers have found that works committees and joint councils

have saddled them with many new difficulties of administration ; that no increase of satisfaction among their workers has in general resulted ; that in many cases the demands for concessions have merely been accelerated ; and, faced with the press of post war business problems, they have tended to draw back from their attempts at securing co-operation with Labour, as too difficult and risky for these troublous times.

Labour has found itself no nearer to the "expropriation of the capitalist" ; in some cases it has, perhaps, been a little daunted on realizing that there are two sides to the question ; and, in general, has not found progress towards a new order of industry as rapid as it had hoped, nor co-operation a good instrument for revolution. As a result, there is in evidence on both sides a tendency to let things take their course, and to return to the old council of despair, that "there is nothing for it but to fight it out."

It is certain that at the present time (1920) the state of tension in industry is greater than ever, and the need for finding some appeasement more urgent. The whole fabric of modern industry threatens to break down, mainly because the workers will no longer accept the place assigned to them in it. They have lost faith in the basis on which the structure is built, and will no longer do their part as mere sellers of physical effort. The great need of the moment is for a new constitution for industry, which will command the allegiance of moderate Labour. No one can say, as yet, what form such a new constitution will take, but the best hope of working out the problem lies in promoting more general knowledge of the workings of industry, and a greater understanding by all parties of the points of view of the others. In this knowledge and understanding lies the only hope of reaching a solution without violence, and of keeping industry going in the meanwhile.

Every means, therefore, should be pursued that brings workers and employers together, and most particularly those which promote contact within the works in the carrying on of the everyday work of industry.

This daily relationship and joint dealing with current works affairs is probably the most difficult part of the field to cover, and has been less satisfactorily dealt with than has joint discussion of the general problems of a whole industry. Nevertheless, the centre of gravity, at any rate at present, lies inside the works ;

it is there that the real clash occurs. Labour's demand for control of industry in general, however sincerely held, is just a little doctrinaire; but the demand for a changed status in the workshop is vital and immediate. It is in the workshop, in his daily life, that the worker actually comes up against "the System"; it is there that he actually meets and resents the arbitrary exercise of authority, by a management he has had no voice in appointing, in the execution of a policy he has had no opportunity of understanding or influencing, and in the interest of that "Capital" which he—mistakenly—regards as, inherently, his enemy.

These circumstances all demand, not a slackening of effort and experiment in the development of methods of co-operation and joint working, but a renewed and intensified attempt to make them workable. And amongst these the most important, as also the most difficult, is the incorporation of workshop committees into the administrative machinery of the works. These notes, therefore, are concerned mainly with considering how far joint handling of "management" problems can be carried under present conditions, and the necessary machinery and modifications in administrative methods to enable it to operate.

Before passing, however, to detailed schemes it is worth considering briefly what the aims of such a development are.

It must, in general, be admitted that the conditions of industrial life fail to satisfy the deeper needs of the worker, and that it is this failure, even more than dissatisfaction with wages or bad conditions, which is responsible for most of the general unrest. Now the satisfaction to be derived from work depends upon its being a means of self-expression. This again depends on the power of control exercised by the individual over the materials, processes, and conditions involved, or, in the case of complicated operations, where the individual can hardly be other than a "cog in the machine," on the willingness, understanding, and imagination with which he undertakes such a rôle. In the past, the movement in industry, in this respect, has been all in the wrong direction, namely, a continual reduction of freedom, initiative, and interest, involving an accentuation of the "cog-in-the-machine" status. Moreover, it has too often produced a "cog" blind and unwilling, with no perspective or understanding of the part it plays in the general mechanism of production, or even in any one particular series of operations.

Each successive step in the splitting up and specializing of operations has been taken with a view to promoting efficiency of production, and there can be no doubt that efficiency, in a material sense, has been achieved thereby, and the productivity of industry increased. This has been done, however, at the cost of pleasure and interest in work ; and the problem which faces us now is the possibility of restoring these to some extent, as, for instance, by some devolution of management responsibility on to the workers, and how far such devolution is possible under the competitive capitalist system, which is likely to dominate industry for many long years to come.

Under the conditions of capitalist industry, any scheme of devolution of management can only stand provided it involves no net loss of productive efficiency. It is believed, however, that, even within these limits, considerable progress in this direction is possible, doubtless involving some detail loss, but with more than compensating gains in general efficiency. In this connection it must be remembered that the work of very many men, probably of most, is given more or less unwillingly ; and even should the introduction of more democratic methods of business management entail a certain loss of mechanical efficiency, due to the greater cumbersomeness of democratic proceedings, if it can succeed in obtaining more willing work and co-operation, the net gain in productivity would be enormous.

Important and urgent as is this problem of re-arranging the machinery of management to enable responsibility and power to be shared with the workers, another preliminary step is even more pressing. This is the establishing of touch and understanding between employer and employed, between management and worker. Quite apart from the many real grievances under which workers suffer in various trades, there is a vast amount of bad feeling due to misunderstanding on each side of the aims and motives of the other. Each party, believing the other to be always ready to play foul, finds in every move easy evidence to support its bitterest suspicions.

It is probably correct to say, in spite of the tension existing at the present time between employers and employed, that some progress in establishing better personal relations has been made during the last few years. At least among the leaders of the two

sides, the effect of the committee and conference work necessitated by the war has been to establish more mutual respect and appreciation of each other's qualities than was the case before. This has, however, had little influence on the rank and file, where each side is only too ready to look on the other as foreigners, with alien minds and aims ; as traditional enemies, beyond the pale, towards whom the ordinary codes of ethics and citizenship do not apply.

More important, therefore, than any reconstruction of management machinery, more important even than the remedying of specific grievances, is the establishing of ordinary human touch and sympathy between management and men. This need has an important bearing on any discussion with regard to developing machinery for joint action. It cannot be emphasized too strongly that the hopefulness of any such attempt lies, not in the perfection of the machinery itself, nor even in the wideness of any powers of self-government that may be granted to the workers, but in the degree to which touch and, if possible, friendliness can be established. It should be realized, for instance, by employers that time spent on discussing and ventilating alleged grievances which turn out to be unfounded may be quite as productive of understanding and good feeling as the removal of real ones.

All such discussions, moreover, cannot fail to have a valuable educational effect on all sides. It is, indeed, a positive duty on the part of every employer, at the present time, to seize every opportunity to discuss management and business problems with his workpeople. Whatever is to come out of the " industrial revolution " in which we are involved, greater knowledge, on the part of the workers, of the actual problems of industry is the best hope of the future. All such discussions must, however, be honest and open ; there must be no forbidden topics or reservations if the worker is to be convinced of the *bona-fides* of the employer.

Passing now to constructive proposals, the subject is here dealt with mainly in two stages.

In Chapter XVII, some of the functions of management which most concern the workers are considered, with a view to seeing how far the autocratic (or bureaucratic) secrecy and exclusiveness which usually surround business management, *vis-à-vis* the workers, is really unavoidable, or how far it could be replaced by democratic discussion and joint action. The conclusion is that there is no

reason inherent in the nature of the questions themselves why this cannot be done to a very considerable extent.

Chapter XVIII considers the machinery needed to make such joint action workable—a very different matter from admitting that in itself it is not undesirable! The apparent complication of such machinery is doubtless a difficulty, but it is not an insuperable one, and is, in practice, less formidable than it seems at first sight. It must be realized, however, that the degree of elaboration of the machinery for joint working, adopted by any particular industry or firm, must be in relation to the elaboration of its existing management methods. It would be quite impossible for many of the refinements of discussion and joint action here suggested to be adopted by a firm whose ordinary business organization was crude, undeveloped, and unsystematic. This point is more fully dealt with in this section.

Chapter XIX is a continuation of Chapter XVIII in that it is mainly concerned with machinery, but it deals with a newer and special aspect of the problem of the democratization of industry. This is the growing demand on the part of staff-workers for the presentation of their interests and point of view by means of committees. This development necessarily complicates the problem, though, if it can be dealt with successfully, it may open the way to a new and complete committee of all grades of workers in a business, which, in turn, should bring the day of a new constitution for industry appreciably nearer.

Chapter XX contains a summary of the schemes of committees described in Chapters XVIII and XIX, showing the distribution to each committee of the various questions discussed in Chapter XVII.

In Chapter XXI some comments are made, based on actual experience gained in an attempt to institute machinery of the kind discussed, and some practical hints are given which may be of assistance to others.

CHAPTER XVII

SCOPE OF WORKERS' SHOP ORGANIZATIONS—MANAGEMENT QUESTIONS WHICH COULD BE HANDLED JOINTLY

It is proposed in this section to consider the activities which organizations of workers within the workshop might undertake without any radical reorganization of industry. What functions and powers, usually exercised by the management, could be shared with the workers, and what questions, usually considered private by the management, could be made the subject of explanation and consultation? The number of such questions, as set out in this section, may appear very formidable, and is possibly too great to be dealt with, except by a gradual process. No thought is given at this stage, however, to the machinery which would be necessary for achieving so much joint working, the subject being considered rather with a view to seeing how far, and in what directions, the inherent nature of the questions themselves would make it possible, or advisable, to break down the censorship and secrecy which surround business management.

In the list which follows, obviously all questions are not of equal urgency, those being most important which provide means of consultation and conciliation in regard to such matters as most frequently give rise to disputes; namely, wage and piece-rate questions, and, to a lesser degree, workshop practices and customs. Any scheme of joint working should begin with these matters, the others being taken over as the machinery settles down and it is found practicable to do so. How far any particular business can go will depend on the circumstances of the trade and on the type of its organization. Though machinery for conciliation in connection with existing troubles, such as those mentioned, must be the first care, some of the other matters suggested in this section (e.g. safety and hygiene, shop amenities, etc.) should be dealt with at the earliest possible moment. Such subjects, being less controversial, offer an easier means of approach for establishing touch and understanding between management and men.

The suggestions in this section are divided into two main groups, but this division is rather a matter of convenience than an indication

of any vital difference in nature. The suggestions are arranged in order of urgency, those coming first where the case for establishing a workers' shop organization is so clear as to amount to a right, and passing gradually to those where the case is more questionable. The first group, therefore, contains all those items where the case is clearest and in connection with which the immediate benefits would fall to the workers. The second group contains the more questionable items, which lie beyond the region where the shoe actually pinches the worker. These questions are largely educational, and the immediate benefit of action, considered as a business proposition, would accrue to the management through the greater understanding of management and business difficulties on the part of the workers.

1. QUESTIONS IN CONNECTION WITH WHICH SHOP ORGANIZATIONS WOULD PRIMARILY BENEFIT THE WORKERS

This group deals with those matters where the case for establishing shop organizations, to meet the needs of the workers, is clearest.

(a) COLLECTIVE BARGAINING

There is a need for machinery for carrying this function of the Trade Union into greater and more intimate workshop detail than is possible by any outside body. A workshop organization might supplement the ordinary Trade Union activities in the following directions—

1. WAGES. (*Note*: General standard rates would be fixed by negotiation with the Trade Union for an entire district, not by committees of workers in individual works.) The following are instances of what the works committees might attend to:

(1) To ensure the application of standard rates to individuals; to see that they get the benefit of Trade Union agreements.

(2) To discuss the incidence and application of new wage awards or agreements to a particular works. This is often a very complicated question, especially where an award is given to workers in a trade that has isolated members scattered through other trades that have not received the award. This has been the case, for

instance, with members of building trades crafts employed in engineering works, also with mechanics employed in textile mills.

(3) Where a *scale* of wages, instead of a single rate, applies to a class of work—the exact figure varying according to the experience, length of service, etc., of the worker—to see that such scales are applied fairly.

(4) To see that promises of advances, such as those made, for instance, at the time of engagement, are fulfilled.

(5) To see that apprentices, on completing their time, are raised to the standard rate by the customary or agreed steps.

2. PIECE-WORK RATES. (It is assumed that the general question of payment by result would be regulated by agreement between the Employers' Federations and Trade Unions.)

(1) To discuss with the management the particular scheme of payment by result to be adopted for particular jobs or kinds of work in the works.

(2) To discuss with the management the detailed methods of rate-fixing, as applied either to individual jobs or to classes of work.

(3) Where there is an agreed relation between time-rates and piece-rates, as, for instance, in engineering, to see that individual piece-rates are so set as to make the standard rate of earning possible.

(4) To discuss with the management reduction of piece-rates where these can be shown to be capable of yielding higher earnings than the standard, in consequence of changed methods or mistakes in setting.

(5) To investigate, on behalf of the workers, complaints as to inability to earn the standard rate. For this purpose, all the data and calculations, both with regard to the original setting of the rate and with regard to time bookings on particular jobs, would have to be open for examination.

(*Note*: It is doubtful whether a shop committee, on account of its cumbersomeness, could be called into consultation over the setting of every individual rate, except where the jobs dealt with are so large or so standardized as to make the number of rates to be set per week quite small. A better plan would be for a representative of the workers, preferably paid by them, to be

attached to the rate-fixing department of the works, to check all calculations and to see that the general methods and schemes agreed on are applied fairly to each individual case. He would report to a shop committee, whose discussions with the management would then be limited to questions of principle. This arrangement is really a guarantee that the management is acting in good faith, and if the relations between management and workers are reasonably good, it should not be necessary to put forward any such plan.)

3. WATCHING THE APPLICATION OF SPECIAL LEGISLATION, AWARDS, OR AGREEMENTS ; e.g.—

- (1) Restoration of Trade Union conditions.
- (2) Number of Apprentices.
- (3) Dilution, etc.

4. TOTAL HOURS OF WORK. To discuss any proposed change in the length of the standard week. This could only be done by the workers' committee of an individual firm, provided the change were within the standards fixed by agreement with the Trade Unions or those customary in the trade.

5. NEW PROCESSES OR CHANGES OF PROCESS. Where the management desire to introduce some process which may throw men out of employment, the whole position should be placed before a shop committee to let the necessity be understood, and to allow it to discuss how the change may be brought about with the least hardship to individuals.

(*Note*: In this connection, employers might well give some general guarantees : for example, that the introduction of a new process shall only proceed at such a rate as will allow the surplus workers to be re-absorbed. If this is too sweeping an undertaking, some kind of "leaving bonus" might be guaranteed, or the Union might be reimbursed for any out-of-work benefit paid to men for a certain period after their discharge. In some way or other, employers will have to undertake greater responsibility than they do now for minimizing the unemployment due to such causes.)

6. GRADES OF WORKER FOR TYPES OF MACHINE. Due to the introduction of new types of machines, and to the dividing up of processes, with the simplification of manipulation sometimes entailed thereby, the question of the grade of worker to be employed on a

given type of machine continually arises. Many such questions are so general as to be the subject of Trade Union negotiations, but many more are quite local to particular firms. For either kind there should be a works committee within the works to deal with their application there.

(b) GRIEVANCES

The quick ventilating of grievances and injustices to individuals or to classes of men is of the greatest importance in securing good feeling. The provision of means for voicing such complaints acts also as a check to petty tyranny, and is a valuable help to the higher management in giving it an insight into what is going on.

A shop committee provides a suitable channel in such cases as the following—

1. Petty tyranny by foremen.
2. Hard cases arising out of too rigid application of rules, etc.
3. Alleged mistakes in wages or piece-rate payments.
4. Wrongful dismissal (e.g. for alleged disobedience).

In all cases of grievances it is most important that they should be brought forward by some body which cannot be intimidated by shop foremen.

(c) GENERAL SHOP CONDITIONS AND AMENITIES

On all those questions which affect the community life of the factory, the fullest consultation is necessary, and considerable self-government should be possible.

The following indicate the kind of question—

1. **SHOP RULES.** Restrictions as to smoking ; tidiness, cleaning of machines ; use of lavatories and cloak-rooms ; provision, care, and type of overalls ; time-booking arrangements ; wage-paying arrangements.

2. **MAINTENANCE OF DISCIPLINE.** It should be possible to promote such a spirit in a works that, not only could the workers have a say in the drawing up of shop rules, but the administering of them could also be largely in their hands. This would be particularly desirable with regard to enforcing good time-keeping ; maintaining tidiness ; care and regulation of lavatories and cloakrooms ; promoting a high standard of general behaviour.

3. **WORKING CONDITIONS.** Meal hours ; starting and stopping

times; arrangements for holidays, etc.; arrangement of shifts, night work, rest periods, etc.

4. ACCIDENTS AND SICKNESS. Consultation, advice, or complaints regarding safety appliances and practices, machine guards, etc.; administration of first aid, rest-room arrangements, medical examination and advice; investigation of causes of accidents.

5. DINING SERVICE. Consultation regarding requirements; criticisms and suggestions as to service; control of discipline and behaviour; seating arrangements, etc.; criticism of accounts.

(*Note*: Where possible it seems desirable to leave the whole running of the canteen service to the workers. This presents no difficulties where the canteen serves one grade only and is used for no other purposes, but is, of course, less easy where staff and workers are provided for in the same building, as different kinds of service and prices are generally demanded, or where the canteen is used for other purposes, as, for example, social gatherings or educational purposes.)

6. SHOP COMFORT AND HYGIENE. Suggestions and complaints as to temperature and ventilation; washing accommodation, drying clothes, etc.; provision of seats at work, where possible; drinking water supply, etc.

7. BENEVOLENT WORK. Shop collections for charities or hard cases among fellow workers; sick club; convalescent home, etc.; savings societies.

(d) GENERAL SOCIAL AMENITIES

A works tends to become a centre of social activities having no direct connection with work, for example: works picnics, games (e.g. cricket, football, etc.), musical societies.

These should all be organized by committees of the workers and not by the management.

2. QUESTIONS ON WHICH JOINT DISCUSSION WOULD PRIMARILY BE OF ADVANTAGE TO THE MANAGEMENT

In this group are those questions with regard to which there is generally no demand put forward by the workers, but where discussion and explanation on the part of the management would be desirable, and would tend to ease some of the difficulties of

management. The institution of works committees would facilitate discussion and explanation in the following instances—

(a) INTERPRETATION OF MANAGEMENT TO WORKERS

In any case of new rules, or new developments, or new workshop policy there is always the greatest difficulty in getting the rank and file to understand what the management is "getting at." However well-meaning the change may be as regards the workers, the mere fact that it is new and not understood is likely to lead to opposition. If the best use is made of committees of workers, changes involving new developments, etc., would have been discussed and explained to them, and it is not too much to expect that the members of such committees would spread a more correct and sympathetic interpretation of the management's intentions among their fellow-workers than these could get in any other way.

Quick results are not probable, for it must be recognized that it will require some time before the workers generally can be convinced that the management does put all its cards on the table in such discussions. A record of straightforwardness must, however, tell in the long run, just as the smallest instance of breach of faith, or "slimness," would spoil all chances of success. It is important to remember in all such discussions that the management probably possesses the more highly trained minds and acuter debating powers: it is easy to score points, but this does no one any good and only leaves resentment amongst those scored off, and probably immediately raises suspicions of insincerity.

(b) APPRENTICE TRAINING AND CONTINUATION EDUCATION SCHEMES.

It is most important that the training of apprentices should be regarded as a definite part of the problem of management. There should be a carefully worked out scheme, based on the number of apprenticeships that the nature of the works and trade makes possible, with definite tests for qualification, regular courses of training in various works departments, and a scheme of general part-time education, either in a works school or in a local continuation school.

In a large works, the works school, run in conjunction with the local education authority, is by far the best scheme, as it

enables the head master to keep in touch with the apprentices and to be responsible for the arrangement of their course through the works as well as through the school. Another advantage of the works school is the ease with which evening classes and special courses can be arranged to suit the demands of any group of workers.

In the running of any educational scheme it is very desirable that the workers should be consulted. If the scheme involves a works school, it is absolutely essential that representatives of the workers, probably delegated by the works committee, should take a share in its management or have seats on an advisory committee if the actual management is in the hands of the Local Education Authority. Otherwise the school will be regarded as an unwarranted attempt on the part of the employer to control yet another part of the worker's life.

(c) EDUCATION IN SHOP PROCESSES AND TRADE TECHNIQUE

The knowledge of most workers is limited to the process or processes on which they are employed; they would have a truer sense of industrial problems if they understood better the general technique of the industry in which they are concerned and the relation of their particular process to others in the chain of manufacture from raw material to finished article.

It is possible that some of this education should be undertaken by technical schools, but their work in this respect can only be of a general nature, leaving a field for detailed teaching which could only be undertaken in connection with an individual firm or a small group of similar firms. If a works school is in existence, such education would most easily be arranged in the form of evening classes, dealing with the special technical problems involved in the particular firm's work.

Another very desirable method of imparting such information is by means of organized visits, open to all employees, through the various departments of the works. Many firms have arrangements for receiving outside visitors, such as foremen's or other technical societies, and for showing them through the works. These visits usually take place on Saturday afternoons. Similar arrangements to receive the firm's own employees would almost certainly be appreciated and would be most useful.

Any such scheme should be discussed and worked out in conjunction with a committee of workers, in order to obtain the best from it.

(d) PROMOTION

It is open to question how far the filling of any given vacancy can be discussed openly between the management and those from among whom the promotion to the vacant post will be made, or with those who will come under the control of the new man when appointed.

In connection with such appointments as shop foremen, where the position is usually filled by promoting a workman or "leading hand," it would at least be advisable to announce the appointment to the workers' committee before making it generally known. It would, perhaps, be possible to explain why the particular choice had been made. This could be indicated fairly well by a statement of the qualities which the management deemed necessary for such a post. Either step would do something towards heading off some of the jealous disappointment always involved in such promotions, especially where strict seniority is not followed.

It has, of course, been urged, generally by extremists, that workmen should choose their own foremen by election. This is not considered practical politics at present, nor could it become so until workers recognize the over-riding necessity for efficiency in management, and could be relied on to choose accordingly. A scheme of profit-sharing which enabled all parties to concentrate on efficiency might bring the possibility of election of foremen appreciably nearer.

One of the difficulties involved in any general discussion of promotions, is the fact that there are so many parties concerned, and all tend to look at the question from a different point of view. For example, in the appointment of a foreman, the workers are concerned as to how far the new man is sympathetic and pleasant, and inspiring to work under. The other foremen are concerned with how far he is their equal in education and technical attainments, social standing, length of service, etc., i.e. as to whether he would make a good colleague. The works manager is concerned, among other qualities, with his energy, loyalty to the firm, and ability to maintain discipline. Each of these three parties is looking for a different set of qualities, and it is not often that a

candidate can be found to satisfy all. Whose views should carry most weight: the men's, the other foremen's, or the works manager's?

It should be more feasible to discuss a vacancy with the other members of the same grade; for example, to discuss with shop foremen the possible candidates for a foremanship. This would be better than no discussion at all, and the foremen might be expected to reflect, to some extent, the feeling among their men.

None of these schemes can be considered as altogether satisfactory. It is quite certain, however, that some attempt should be made to secure a more general understanding and approval of new appointments, if only to dissipate the charge of favouritism.

(e) EDUCATION IN GENERAL BUSINESS QUESTIONS

This is of the very highest and most urgent importance. Labour is demanding, more and more insistently, radical changes in the control of industry, but without understanding the nature of the problem. This lack of knowledge constitutes the gravest industrial danger of the present time, and to do everything possible to remove it is the imperative duty of every business management. Whether it prove feasible, or not, eventually to give Labour any considerable responsibility for management it is quite certain that no satisfactory or equitable solution can be arrived at in the absence of the fullest knowledge on both sides.

It is not easy to lay down the best way of giving this kind of information, as so much will depend on the conditions of each individual business. The following suggestions may be of some assistance—

1. The reasons should be explained and discussed for the establishment of new works departments, or for the reorganization of existing ones, the relation of the new arrangement to the general manufacturing policy being demonstrated.

2. Some kind of simplified works statistics might be laid before a committee of workers. For example—

Output: total and per worker; cost of new equipment installed; cost of tools used in given period; cost of raw material consumed; numbers employed; amount of bad work produced; average wage or earnings of various grades or of various departments.

3. Reports of activities of other parts of the business might be laid before a works committee—

(a) From the commercial side showing the difficulties to be met, the general attitude of customers to the firm, etc.

(b) By the chief technical departments, design office, laboratory, etc., as to the general technical developments or difficulties that were being dealt with. Much of such work need not be kept secret, and would tend to show the workers that other factors enter into the production of economic wealth besides manual labour.

4. Simple business reports, showing general trade prospects, might be presented. These are, perhaps, most difficult to give in any intelligible form without publishing matter which many managements would object to show. Still the attempt would be well worth making and would show the workers how narrow is the margin between financial success and failure on which most manufacturing businesses work. Such statistics might, perhaps, be expressed not in actual amounts, but as proportions of the wages bill for the same period.

A generous scheme of profit-sharing would be a great help in this connection. One of the difficulties of giving the kind of information necessary under this head is that the worker so often does not really believe that efficiency in industry is his affair. He does not realize that maximum output for minimum effort—which, by and large, is the real goal of management efforts—is the necessary condition for the betterment of Labour no less than for the growth of Capital. A profit-sharing scheme, therefore, which made successful administration a direct and living issue to workers no less than to management and shareholders, would make the giving of full information about the progress of a business very much easier. Under such a scheme full accounts of the manufacturing activities of the business could quite well be laid before a committee of workers. If the *division* of the profit as between Capital, Management, and Labour had been agreed upon beforehand, the way would be clear for all parties to concentrate on making the *amount* of the profit as large as possible. Under such circumstances, business and management problems could be discussed with the very greatest freedom and with a corresponding benefit from an educational point of view.

CHAPTER XVIII

TYPES OF ORGANIZATION

IN the previous sections we have dealt with the kinds of questions which, judged simply by their nature, would admit of joint discussion or handling, and it is now necessary to consider what changes are needed in the structure of business management to carry out such proposals. The development of the necessary machinery presents very considerable difficulties on account of the slowness of action and lack of executive precision which almost necessarily accompany democratic organization, and which it is the express object of business organization to avoid.

The question of machinery for joint discussion and action is considered in this section in three aspects—

1. The requirements which such machinery must satisfy.
2. The influence of various industrial conditions on the type of machinery likely to be suitable in particular trades or works.
3. Some detailed suggestions of shop committees of varying scope.

I. REQUIREMENTS TO BE SATISFIED

(a) *Keeping in Touch with the Trade Unions*

It is obvious that no works committee can be a substitute for a Trade Union, and no attempt must be made by the employer to use it in this way. To allay any Trade Union suspicion that this is the intention, and to ensure that the shop committee links up with the Trade Union organization, it would be advisable to see that the Trade Union is represented in some fairly direct manner. This is specially important for any committee dealing with wages, piece-work, and such other working conditions as are the usual subjects of Trade Union action.

In the other direction, it will be necessary for the Trade Unions to develop some means of working shop committees into their scheme of organization, otherwise there will be the danger of the works committee, able to act more quickly through being on the spot, usurping the place of the local district committee of the Trade Union.

(b) *Representation of all Grades*

The desirability of having all grades of workers represented on works committees is obvious, but it is not always easy to carry out, owing to the complexity of the distribution of labour in most works. Thus, it is quite common for a single department, say, in an engineering works, to contain several grades of workers, from skilled tradesmen to labourers, and possibly women. These grades will belong to different unions, and there may even be different, and perhaps competing, unions represented in the same grade. Some of the workers, moreover, will not be in any union at all.

(c) *Touch with Management*

As a large part of the aim of the whole development is to give the workers some sense of management problems and point of view, it is very desirable that meetings between works committees and management should be frequent and regular, and not be looked upon merely as means for investigating grievances or deadlocks when they arise. The works committee must not be an accidental excrescence on the management structure, but must be worked into it so as to become an integral part, with real and necessary functions.

(d) *Rapidity of Action*

Delays in negotiations between employers and labour are a constant source of irritation to the latter. Every effort should be made to reduce them. Where this is impossible, as a consequence of the complication of the questions involved, the works committee should be given enough information to convince it of this, and that the delay is not a deliberate attempt to put off the issue.

On the other hand, the desire to attain rapidity of action should not lead to haphazard and "scratch" discussions or negotiations. These will only result in confusion, owing to the likelihood that some of those who ought to take part or be consulted over each question will be left out, or have insufficient opportunity for weighing up the matter. The procedure for working with or through works committees must, therefore, be definite and constitutional, so that every one knows how to get a grievance or suggestion put forward for consideration, and every one concerned is sure of receiving due notice of the matter.

The procedure must not be so rigid, however, as to preclude emergency negotiations to deal with sudden crises.

2. INFLUENCE OF VARIOUS INDUSTRIAL CONDITIONS ON THE TYPE OF ORGANIZATION OF SHOP COMMITTEES

There is no one type of shop committee that will suit all conditions. Some industries can develop more easily in one direction and some in another, and in this sub-section are pointed out some of the conditions which are likely to influence this.

(a) Type of Labour

The constitution of the committee, or the scheme of committees, which will suitably represent the workers of any particular factory, will depend very largely on the extent to which different trades and different grades of workers are involved.

In the simplest kind of works, where only one trade or craft is carried out, the workers, even though of different degrees of skill, would probably all be eligible for the same Trade Union. In such a case, a purely Trade Union organization, but based, of course, on works departments, would meet most of the requirements, and will probably, in fact, already be in existence.

In many works, however, at least in the engineering industry, a number of different "trades" are carried on. For instance, turning, milling, automatic machine operating, blacksmithing, pattern-making, foundry work, etc. Many of these trades are represented by the same Trade Union, though the interests of the various sections are sometimes antagonistic (e.g. in the case of turners and automatic machine operators). Some of the other trades mentioned belong to different unions altogether. In addition to these "tradesmen" will be found semi-skilled and unskilled labourers. These will belong to general labouring unions which have no special connection with the engineering unions. In addition to all these, there may be women, whose position in the industry is still uncertain, and some of whose interests will certainly be opposed to those of some of the men.

The best way of representing all these different groups will depend on their relative proportion and distribution in any given works. Where women are employed in any considerable numbers,

it will probably be advisable for them to be represented independently of the men. For the rest, it will probably be necessary to have at least two kinds of works committees : one representing Trade Unionists as such, chosen for convenience by departments ; the other representing simply works departments. The first would deal with wages and the type of question usually forming the subject of agreement between employers and trade unions. The other would deal with all other workshop conditions. The first, being based on Trade Union membership, would automatically take account of differences between different trades and different grades ; whereas the second would be dealing with those questions in which such distinctions do not matter very much.

(b) Size of Works

Where the works are very large, say over 1,500 or 2,000 work-people, it is hardly possible to get every section or group directly represented on a works committee dealing with the management. A good plan in such a case is to have a large works council, with a delegate elected from every group or section, and for this council to elect from among its number the actual works committee. The council should meet periodically, say every three months, to hear a report from the committee and to keep it in touch with the whole body of workers in the works.

(c) Stability and Regularity of Employment

Where work is of an irregular or seasonal nature, and workers are constantly being taken on and turned off, only the very simplest kind of committee of workers would be possible. In such industries probably nothing but a Trade Union organization within the works would be possible. This would draw its strength from the existence of the Trade Union outside, which would, of course, be largely independent of trade fluctuations, and would be able to re-constitute the works committee as often as necessary, thus keeping it in existence, even should most of the previous members have been discharged through slackness.

(d) Elaboration of Management Organization

The extent to which management functions can be delegated, or management questions and policy discussed with the workers, depends very largely on the degree of completeness with which

the management is organized. Where this is haphazard and management consists of a succession of emergencies, only autocratic control is possible, being the only method which is quick-acting and mobile enough. Therefore, the better organized and more constitutional (in the sense of having known rules and procedure) the management is, the more possible is it for policy to be discussed with the workers.

3. SOME SCHEMES SUGGESTED

In the following suggestions for shop organizations of workers the first three are intended to form one scheme. Their individual value, however, does not depend on the adoption of the whole scheme, each being good so far as it goes. The fourth committee described in this section is a combination of two of the others, which is likely to come about in course of time.

(a) Shop Stewards' Committee

As pointed out in the last sub-section, in a factory where the Trade Union is strong there will probably be a Shop Stewards' or Trade Union committee already in existence. This is, of course, a committee of workers only, elected generally by the Trade Union members in the works to look after their interests and to conduct negotiations for them with the management. Sometimes the stewards carry out other purely Trade Union work, such as collecting dues, obtaining new members, explaining union rules, etc. Such a committee is the most obvious and simplest type of works committee ; and where the composition of the shop is simple (i.e. mainly one trade) with no very great difference in grade, a Shop Stewards' Committee could handle many of the questions laid down as suitable for joint action.

It is doubtful, at least at first, whether the Shop Stewards' Committee can, or should, cover the full range of workers' activities, except in the very simplest type of works. The mere fact that, as a purely Trade Union organization, it will deal primarily with wages and piece-work questions will tend to introduce an atmosphere of bargaining, which would make the discussion of more general questions very difficult. Further, such a committee would be likely to consider very little else than the interests of the Trade Union, or of themselves as Trade Unionists. While this is no

doubt quite legitimate as regards such questions as wages, the more general questions of workshop amenities should be considered from the point of view of the works as a community in which the workers have common interests with the management in finding and maintaining the best conditions possible. Moreover, in some shops, where workers of widely different grades and trades are employed, a Shop Stewards' Committee will not represent truly the whole of the workers, but only the better organized sections.

The Shop Stewards' Committee, in the engineering trades at least, is fairly certain to constitute itself without any help from the management. The management should hasten to recognize it, and give it every facility for carrying on its business, and should endeavour to give it a recognized status and to impress it with a sense of responsibility.

It would seem desirable that shop stewards should be elected by secret ballot rather than by show of hands in open meeting, in order that the most responsible men may be chosen, and not merely the loudest talkers or the most popular. It seems better, also, that stewards should be elected for a certain definite term, instead of holding office, as is sometimes the case now, until they resign, leave the firm, or are actually deposed. The Shop Stewards' Committee, being entirely a workers' and Trade Union affair, both these points are outside the legitimate field of action of the management. The latter's willingness to recognize and work with the committee should, however, confer some right to make suggestions even in such matters as these.

The facilities granted by the management might very well include a room on the works premises in which to hold meetings, and a place to keep papers, etc. If works conditions make it difficult for the stewards to meet out of works hours, it would be well to allow them to hold committee meetings in working hours at recognized times. The management should also arrange periodical joint meetings with the committee to enable both sides to bring forward matters for discussion.

The composition of the joint meeting between the committee of shop stewards and the management is worth considering shortly. In the conception here set forth the Shop Stewards' Committee is a complete entity by itself ; it is not merely the workers' section of some larger composite committee of management and workers.

The joint meetings are rather in the nature of a standing arrangement on the part of the management for receiving deputations from the workers. For this purpose, the personnel of the management section need not be fixed, but could well be varied according to the subjects to be discussed. It should always include, however, the works manager, or whoever is the highest authority directly concerned with the works. For the rest there would be various managers and heads of sections, such as the labour manager, the chief engineer, etc. Foremen should also be specially represented. This should be done in two ways. There should be, as a regular member, a foreman representing the foremen as a class; and, in addition, the foremen in charge of those departments, in connection with which questions are up for discussion, should be present specially at the particular meeting. As the joint meeting is not an instrument of management, taking decisions by vote, the number of the management contingent does not really matter, beyond assuring that all useful points of view are represented.

Too much importance can hardly be attached to the desirability of holding regular joint meetings, as against *ad hoc* meetings called to discuss special grievances. According to the first plan, each side becomes used to meeting the other in the ordinary way of business, say, once a month, when no special issue is at stake and no special tension is in the air; each can hardly fail to absorb something of the other's point of view. At a special *ad hoc* meeting, on the other hand, each side is apt to regard as its business, not the discussion of a question on its merits, but simply the making out of a case. And the fact that a meeting is called specially means that expectations of results are raised among the other workers which make it difficult to allow the necessary time or number of meetings for the proper discussion of a complicated question.

Where women are employed in considerable numbers with men, the question of their representation by stewards becomes important. It is as yet too early to say how this situation can best be met. If they are eligible for membership of the same Trade Unions as the men, the Shop Stewards' Committee might consist of representatives of both.

Another plan would be for a separate Women's Shop Stewards' Committee to be formed, which would also meet the management periodically and be, in fact, a duplicate of the men's organization.

It would probably also hold periodical joint meetings with the men's committee to unify their policies as far as possible. This plan is somewhat cumbersome but seems to be the most feasible one at present, on account of the divergence of interests, and the very different stage of development existing in the organization of men and women.

It is probable, moreover, if this plan be adopted, that after a little experience in its working, the two Shop Stewards' Committees will make arrangements to meet each other regularly, and to meet the management jointly—in fact, to combine.

(b) *Social Union*

Some organization for looking after recreation is in existence in many works, and if not, there is much to be said for the institution of such a body as the "Social Union" here described.

Although the purpose which calls together the members of a works community is, of course, not the fostering of social life and amenities, there is no doubt that members of such communities do attain a fuller life and more satisfaction from their association together, when common recreation is added to common work. It may, of course, be urged against such a development of community life in industry that it is better for people to get away from their work and to meet quite another set in their leisure time. This is, no doubt, true enough, but the number of people who take advantage of it is probably very much less than would be affected by social activities connected with the works. The development of such activities will, in consequence, almost certainly have more effect in spreading opportunities for fuller life than it will have in restricting them. Moreover, if the works be a large one, the differences in outlook between the various sections are, perhaps, quite as great as can be met with outside. For this reason, the cardinal principle for such organizations is to mix up together the different sections and grades, especially the works and the office departments.

The sphere of the Social Union includes all activities other than those affecting the work for which the firm is organized. This sphere being outside the work of the firm, the organization should be entirely voluntary and in the hands of the workers, though the management may well provide facilities, such as rooms and playing fields.

Two main schemes of organization are usual. In the first, a general council is elected by the members, or, if possible, by all the employees, irrespective of department or grade. This council directs the general policy of the Social Union, holds the funds, and is responsible for starting and supervising smaller organizations for specific purposes. Thus, for each activity a club or society would be formed under the auspices of the council. The clubs would manage their own affairs and make their own detailed arrangements subject to the general control of the council.

It is most desirable that the Social Union should be self-supporting so far as running expenses go ; if it is impossible to carry on without financial help from the firm, this should take the form of a contribution, either of a fixed sum per head of membership, or of a sum bearing a fixed ratio to the amount raised by the members themselves. A small subscription should be paid weekly by every member, such subscriptions entitling them to membership of any or all clubs. The funds should be held by the council, and spent according to the needs of the various clubs, and not according to the subscriptions traceable to the membership of each. This is very much better than making each club self-supporting, since it emphasizes the "community" feeling, is very simple, and enables some forms of recreation to be carried on which could not possibly be made to pay for themselves. In order to keep the council in touch with the members, a monthly joint conference should be held between the council and the secretaries of the various clubs.

The second general type of Social Union organization involves making the clubs themselves the basis. Each levies its own subscriptions and pays its own expenses, and the secretaries of the clubs form a council for general management. This is a less desirable arrangement, because each member of the council is apt to regard himself as there only to look after the interests of his club, rather than of the whole. The starting of new activities is also less easy than under the first scheme.

(c) *Welfare Committee*

The two organizations suggested so far, viz., the Shop Stewards' Committee and the Social Union, do not cover the whole range of functions outlined in Section I. In considering how much of that field still remains to be covered, it is simplest to mark off, mentally,

first the sphere of the Social Union, viz., social activities outside working hours. This leaves clear the real problem, viz., all questions affecting the work, and the conditions of work, of the firm. These are then conceived as falling into two groups. First, there are those questions in which the interests of the workers are mainly, or appear to be, opposed to those of the employer. These are concerned with such matters as wages and piece-rates, penalties for spoiled work, etc. With regard to these, discussion is bound to be of the nature of bargaining, and these are the field for the Shop Stewards' Committee negotiating by means of the periodical joint meetings with the management.

There remains, however, a second class of question in which there is no clash of interests between employer and employed. These are concerned mainly with regulating the "community life" of the works, and include all questions of general shop conditions and amenities, and the more purely educational matters. For dealing with this group, a composite committee of management and workers, here called the Welfare Committee, is suggested. This would consist of two parts—

- (1) Representatives elected by workers ; and
- (2) Nominees of the management.

The elected side might well represent the offices, both technical and clerical, as well as the works, and members would be elected by departments, no account being taken of the various grades. Where women are employed, it would probably be desirable for them to elect separate representatives. If they are in departments by themselves, this would naturally happen. If the departments are mixed, the men and women of such departments would each send representatives.

The Trade Union or Unions most concerned with the work of the firm should be represented in some fairly direct way. This might be done in either of two ways—

1. If a Shop Stewards' Committee exists, it might be asked to send one or more representatives.

2. Each of the main Trade Unions represented in the works might elect one or more representatives to represent their members as Trade Unionists.

The management section should contain, in general, the highest members of the management who concern themselves with the

running of the works. It would be of no use to have on this section men in subordinate positions, as much of the discussion would deal with matters beyond their jurisdiction. Moreover, the opportunity for the higher management to get into touch with the workers would be too important to miss. As in the case of the Shop Stewards' Committee, it is most desirable that the workers' side of the Welfare Committee should meet separately. Even though the subjects dealt with are of a less controversial nature, it is unlikely that there will be a good discussion unless the workers' side has had an opportunity of getting together alone first. A good many questions can be handed over by the full meeting to sub-committees for working out, and such sub-committees can, where desirable, consist entirely of workers.

It may be urged that the Welfare Committee is an unnecessary complication; either its work could be carried out by the Shop Stewards' Committee, or the work of both could be handled by a single composite Shop Committee of Management and Workers. In practice, however, it is difficult to make a satisfactory beginning with a single committee, as the controversial questions will almost certainly swamp the "welfare" matter. In order to cover the ground fully, therefore, it would be well to institute the two committees, at least at the beginning.

*(d) The Single Shop Committee—Combined Shop Stewards
and Welfare Committee*

After the two committees have become thoroughly established, and the workers and management are accustomed to dealing with the two classes of questions by committee methods, it may be possible to combine them into one general Shop Committee. The danger of the "welfare" questions being crowded out by the more controversial "shop stewards" subjects has already been pointed out. This, however, is less likely to happen if the two committees have been running successfully apart, and have thus marked out the two spheres of work, than if the attempt were made to begin with a single general committee. This latter course has, however, been successful in a few cases.

A difficulty may arise on combining the committees in finding a satisfactory basis of representation, since the two component committees will probably have differed between themselves in

this respect. The Shop Stewards' Committee will have been based on a combined departmental and Trade Union basis, in which the best organized group of workers will probably have had a dominating position. The Welfare Committee, on the other hand, will probably have been based on constituencies designed to give the truest possible representation to all groups, grades, and classes of workers, without regard to the efficiency of their Trade Union organization. If a single committee is to be substituted the constitution will have to resemble more closely that of the Shop Stewards' Committee, in order to satisfy the Trade Union ideas in dealing with the shop steward type of question.

If these difficulties can be overcome there are several advantages to be gained by amalgamating the two committees. In the first place, one single committee is more easy to deal with than two. With the two, there will inevitably be a good many questions which one committee brings up, but which the management feels bound to insist on having transferred to the other. This causes confusion and friction.

In the second place, the standing of the committee men among their fellows is likely to be enhanced, and a more responsible attitude induced in them. Further, it is probable that, during the life of the two separate committees, one will have been much the stronger, for one reason or another, and will have spent some of its energies in crabbing the work of the other. In such a case the amalgamating of the two will remove a source of contention and friction.

4. CONCLUSION

Summarizing the foregoing suggestions: in addition to the Social Union, there seems, in many works at least, to be a good case for the institution at the outset of two organizations—that of the Shop Stewards and that of the Welfare Committee. The conditions making the latter desirable and possible would seem to be—

1. A management sufficiently methodical and constitutional to make previous discussion of developments feasible.
2. The conditions of employment fairly stable.

3. The trades and grades included in the shop so varied and inter-mixed as to make representation by a committee of Trade Union shop stewards incomplete.

A single committee, combining the functions of the Shop Stewards and the Welfare Committee should, however, be the ultimate goal. This, as pointed out, probably has its best chance of success as a development from two separate committees, rather than as a first venture. One of the effects of the existence of a good Shop Stewards' Committee will certainly be the more thorough organizing on Trade Union lines of all workers of a works, and in that case, condition No. 3 mentioned above, as favourable for the separate existence of a Welfare Committee, would no longer hold.

CHAPTER XIX

STAFF COMMITTEES

PARALLEL with the growth of representative institutions among the manual workers in the factory and workshop, a new development, of the very greatest importance, is taking place among staff workers of management rank. The establishment of shop committees, and the direct touch between the manual workers and the higher management which generally resulted, led, in many cases, to a feeling on the part of those in intermediate positions that they had been left out of the new works constitution. They may well have felt as though an alliance had been formed against their position by those below and those above them, and that they must get together to defend themselves. Another cause, leading to the same result, has been the fact that during the war the salaries of men in staff positions have not increased in the same proportion as have the wages of manual workers. The man in the intermediate grades of management has lost ground in relation to the manual worker since pre-war days, and he sees a danger of his standard of life being forced down. As the instrument of the manual workers' aggrandisement has been organization, the same method is turned to by the staff workers.

Outside the works this has shown itself in a multiplicity of associations or societies of foremen, technical grades, and managers, and inside the works by the formation of committees of various kinds for urging the claims of staff workers on the higher management. This movement inside the works has not as yet taken very definite shape, but there can be little doubt that it is destined to play an important part in the future evolution of an industrial constitution.

The simplest form of Staff Committee probably consists of the foremen or shop superintendents meeting occasionally in their own time to discuss the effect on their positions of the growing power of the Shop Committee. In other cases a composite committee has been formed representing all the staff above the rank of the ordinary clerical worker (e.g. shop superintendents, designers,

technical salesmen, and all those in the lesser managerial positions). Such a committee is probably better than the smaller committees representing one class only, as, for example, foremen.

A general Staff Committee is very useful for the discussion of questions of general conditions of employment and should be recognized by the higher management immediately. There is not the same need for regular joint meetings as in the case of a committee of manual workers, because the staff workers are, in any case, in closer touch with the higher management and know much more, by reason of their position, of the general policy that is being carried out in the business.

The formation and recognition of a Staff Committee brings a further development in sight, which may be of the greatest value in future. This is the arranging of joint meetings between the Manual Workers' Committee, the Staff Committee, and the higher management, leading perhaps ultimately to a really complete committee representing all the grades of employees in a business. Short of this complete amalgamation of committees, there are many questions on which it would be very helpful to get the Staff Committee to meet the Manual Workers' Committee, and advantage should be taken of these to get the two together whenever possible.

Several advantages may be expected from such composite discussions. In the first place, the manual workers' representatives will get a truer perspective of their place in the processes of production than they usually have now. The fallacy that manual labour creates all economic wealth is still held seriously and literally by very many workers, and to meet, in the staff representatives, men who hold the view equally seriously that it is *their* work—brain work—that is the vital factor and not manual labour at all, is an experience likely to have more educative effect than any amount of discussion with the higher management.

In the second place, the effect on the staff representatives of a joint meeting is likely to be no less good. The antagonism so often felt by men in these grades towards the shop committee, and the resentment at what they feel to be its interference with their position and authority, are likely to be modified considerably by working together with the manual workers' representatives. This will be the more likely to happen if the cause of the joint meeting is some question of general interest, and infallibly so if the two

committees find themselves making common cause against the higher management !

The effect on the higher management will also be good, because it will be forced to place its cards on the table, and to explain more of its policy and aims than ever before. In fact, nothing but good can come of meetings of the kind suggested, and if these can be embodied in a permanent organization, so much the better. The realization, by all parties, of the number of different interests concerned and requiring reconciliation in the working of a business cannot fail to impress each with the need for co-operation and *esprit-de-corps*.

It may be objected that the Shop Committee (manual workers) is not at all likely to welcome any common action or meeting with staff workers. Colour is lent to such a view by the fact that the first result of instituting a Shop Committee is generally an attack on the foremen. Indeed, the formation of a committee to represent the manual workers often, perhaps generally, arises out of the desire to appeal direct to the higher management against the arbitrary rule of the foremen. In such circumstances, it may seem very unlikely that the Shop Committee would ever want to co-operate with a Staff Committee of which foremen would form an important part. In practice, it has been found, however, that after a year or two's work this antagonism will have disappeared. The foremen will have learned how to re-establish their control under the new conditions. The bullying foreman will have gone, and his successor will have learned the constitutional lesson that he must only give orders which can be explained if called in question, and can be defended on the ground of their inherent reasonableness. Such a foreman really gains, rather than loses, in strength by the changed conditions, and discussions between his committee and the Manual Workers' Committee will be welcomed by both.

It has been a fairly common experience for Shop Committees to begin work by excluding all foremen from their discussions, even from among the management representatives, only to find, after a while, that their point of view was needed and that some way of representing them was desirable. After the preliminary friction has been overcome the line of cleavage inevitably shifts, and is no longer between the manual workers and the foremen, but rather between the higher management and all other grades. But since

the interests of manual workers and staff grades can never be altogether homogeneous, the cleavage between the latter and the higher management is never likely to be as distinct as the old line between manual workers and management. Everything considered, therefore, there is clearly no very serious difficulty in the Shop Committee and the Staff Committee working together, and an eventual amalgamation is not impossible.

Signs are not wanting, moreover, that the line of cleavage will shift, in the future, even further, and that the grouping of interests will become on the one hand the capitalist—the owner or shareholder, as distinct from the entrepreneur or organizer; and on the other, all grades of employees—management, staff workers, and manual workers. Such a cleavage is likely to be still less distinct, since the interests of “owner” and higher management can often not be separated clearly.

When the evolution of industry has reached this point it should become possible to modify the method of remunerating the “Capitalist” so that his share of the product of industry shall bear a closer relation to the service he renders than is now the case.¹ Once this share, and the method of assessing it, could be agreed upon Industrial Peace would be in sight.

It may be urged that, with the prospect here sketched before it, no higher management would approve either of the formation and recognition of a Staff Committee, or, if formed, of giving it any opportunity of getting into touch with the Manual Workers' Committee. The staff man is looked on as the natural ally and supporter of the higher management, which might well view with alarm any linking up of staff interests with those of the manual workers. Such a move might appear as a kind of desertion to the enemy.

This view is, however, short-sighted. There are only two possible policies for management in the face of the present industrial

¹ This does not mean that Capital, at the present time, necessarily gets more than its fair share; sometimes it gets less. The point is that the Capitalist should be paid for *saving and lending money and taking risks*. These are his contribution to industry, and should be assessed and paid for as such. The successful *use* of the money, however, is not the result of the work of the Capitalist—using the term in the strict sense—but of the organizer and higher management. To whomsoever the results of such success belong, they certainly do not belong solely and entirely to the Capitalist, to whom the present system gives them.

situation. The one is *divide et impera*—to play off staff against manual worker, skilled man against semi-skilled, men against women, keeping all knowledge and information of business problems from the workers and in the hands of as few officials of the higher management as possible. This policy may, perhaps, postpone an industrial catastrophe but cannot avert it, and will certainly aggravate it when it has become inevitable.

The other policy is to distribute knowledge as widely as possible throughout all grades of workers, to let all, manual workers and staff workers alike, see and learn as much as possible of the problems of business—markets, organization, technique, even finance—with which the higher management has to cope. This policy can best be carried out by facilitating the drawing together of staff and manual workers, as suggested, and though this will doubtless bring its own difficulties it is the only sane and constructive course to follow.

The real danger, after all, is ignorance, and the belief that one of the parties to industry can supersede or eliminate the others, as though they were substitutes for, rather than complementary to, each other. Particularly dangerous is the idea that manual labour creates all wealth, and that manual labour could and should "take over" industry. The only effective way of combating this idea is by spreading a knowledge of the actual problems of industry and management. No doubt this will hasten the time when changes in the control of industry will have to be made, but some change in this respect is inevitable. What is really important is that the best man should come to the top, and the qualities needed for successful business administration are, after all, not so common that the choice of available men is likely to be bewilderingly great. If changes are to come, let us have as much knowledge and as widely spread as possible; that is the best safeguard against purely destructive attacks.

CHAPTER XX

SUMMARY AND CONCLUSIONS

GATHERING together the views and suggestions made in the foregoing pages, it is felt that ultimately only two kinds of committees of workers should be necessary in a business, the one for dealing with social activities outside working hours, the other to deal with everything else. Both kinds of committee would cover all grades of workers—manual, clerical, and staff. The single committee can be instituted at the outset for social activities, but for the other questions this state of things can only be reached, if at all, after passing through certain preliminary stages, in which it will be necessary to deal with the workers and the staff by means of separate committees. The complete representation of the manual workers may further require at the outset two kinds of committee. Experience with a scheme of four committees of the kind here outlined shows that after a few years' working there is a distinct tendency towards amalgamation and simplification.

The scope and general constitution of the four committees, with a very tentative sketch of a single general committee, which might ultimately replace three out of the four, is summarized below.

1. SOCIAL UNION

Sphere. Social activities, mainly outside working hours.

Constitution. Includes all grades of management and workers. Governing body elected by members irrespective of trade, grade, or sex.

Examples of Activities

Institution of clubs for sports : cricket, football, swimming, etc.

Recreative societies : orchestral, choral, debating, etc.

Arranging social events : picnics, dances, etc.

Provision of games, library, etc., for use in meal hours.

Administration of club rooms.

2. SHOP STEWARDS' COMMITTEE

Sphere. Controversial questions where interests of employer and worker are apparently opposed.

Constitution. Consists of Trade Unionist workers, manual and clerical, elected by works departments or by trades, or by a mixture

of both bases. In large works elected by two stage elections ; a large works council, elected as above, electing the committee proper. Sits by itself but has regular meetings with the management. The management side includes a permanent representative of the foremen.

Examples of Questions Dealt With

Wages and piece-rates, and adjustments within, and interpretations of, general district agreements. Watching over the carrying out of Trade Union agreements or special legislation ; e.g.—

Restoration of Trade Union conditions.

Trade demarcations.

Manning of machines.

Ventilation of grievances *vs* any of above, etc., etc.

3. WELFARE COMMITTEE

Sphere. "Community" questions, where there is no clash between interests of employer and worker.

Constitution. Composite committee of management and workers, with some direct representation of Trade Unions.

Sits as one body (but with facilities for the workers to meet separately beforehand), with some questions relegated to sub-committees, consisting either wholly of workers or of workers and management, according to the nature of the case.

Examples of Questions Dealt With

Shop rules.

Such working conditions as starting and stopping times, meal hours, night shift arrangements, etc.

Accident and sickness arrangements.

Shop comfort and hygiene.

Benevolent work, such as collections for charities, hard cases of illness or accidents among the workers.

Education schemes : e.g.—

Works school.

Trade technique.

New works developments.

Statistics of works activity.

Business outlook.

Promotions : explanation and, possibly, consultation.

Ventilation of grievances *vs* any of above.

4. STAFF COMMITTEE

Sphere. All questions *re* conditions of employment of staff, or where interests of staff, as a class, clash with those of other grades. (Not a channel for the transaction of ordinary management business.)

Constitution. Consists of representatives of all grades of staff below the chief managers and directors, and above clerical workers,¹ elected on any convenient basis.

No regular meetings. Meets by itself or with the higher management, as and when required.

Examples of Questions Dealt With

Grading of staff.

War bonuses.

Staff privileges.

Terms-of-engagement agreements, etc., etc.

These committees may be expected to combine in various ways as time goes on, the most likely combination being that of the Welfare and Shop Stewards' committees to form a complete Works Committee. A further combination of this with the Staff Committee into a single General Employees' Committee is a possibility. The outlines of a constitution for such a body are suggested below.

5. GENERAL EMPLOYEES' COMMITTEE

Sphere. All questions hitherto handled by the Welfare, the Shops Stewards, and the Staff Committees.

Constitution. Consists of three sections—

1. Workers : manual and clerical.
2. Staff : intermediate managerial and technical grades.
3. Higher management.

Workers' representatives elected as for Shop Stewards' Committee.

Staff representatives elected as for Staff Committee.

¹ No simple definition of staff, in the sense here used, can be given. It does not mean, merely, all grades other than manual workers. The ordinary clerical workers would be represented on the Welfare and Shop Stewards' Committees. Staff includes under-managers, foremen, heads of office sections, designers, estimators, and the higher draftsmen—in general, those who are required to exercise control, or show initiative, or have special technical qualifications, or handle specially confidential matter.

Meets in sections and in various combinations of sections. Thus—Workers' Section and Staff Section meet separately and occasionally jointly. (Many questions after discussion at such a joint meeting would not require bringing up with the Higher Management at all.) Each meets Higher Management separately when desirable. When Workers' Section meets Management alone, the Management contingent is made up as for the joint meeting with the Shop Stewards' Committee.

Regular joint meeting of all sections together, at which minutes of proceedings of sectional joint meetings would be reviewed. Many subjects would be relegated by the full meeting to one or other of the sections.

Questions Dealt With

In addition to all those mentioned above under "sphere," reports on business progress and outlook can be made more detailed. The workings and results of any profit-sharing scheme would be examined and criticized by such a committee.

CHAPTER XXI

COMMENTS ON WORKING

AN attempt to institute a scheme of shop committees on the lines of those here described revealed certain difficulties, of which the following are instances—

1. POSITION OF SHOP FOREMEN

If a Works Committee deals with the actual conditions under which work is carried on, and if its work is to be real, there is every probability of friction arising, owing to the committee infringing the sphere of authority of the shop foremen. Not only will specific complaints and objections to actions or decisions of foremen be brought up, but more general questions of shop management will be discussed, on which the foremen would naturally expect to be consulted previously to their men.

It must never be forgotten that the foremen have definite management functions to perform which cannot be discharged if their authority is continually called in question, or if they are continually harassed by complaints behind their backs. Nor can they have any prestige if arrangements or rules, affecting their control or method of management, are made without them having their full share in the discussion of them. The difficulty arises, therefore, how, on the one hand, to maintain the foreman's position as a real link in the chain of executive authority, and, on the other hand, to promote direct discussion between the workers and the higher management.

In the experiment in question with a Shop Stewards' Committee, this difficulty was all the more acute since it was felt at the outset to be inadvisable to include foremen on the management side of the committee, for fear of checking free discussion on the part of the workers' members. The steps by which the situation was adjusted and the difficulty finally completely overcome were as follows—

1. It was laid down that any question arising in, or specially concerning, a particular department must be laid before the foreman

of that department first, before being brought up at the joint meeting between shop stewards and management. This was not in any way to bar the question being so brought up, but to ensure that the foreman knew what was going on, and to give him an opportunity to deal with the matter if he were able to.

2. No question was allowed to be discussed at the joint meeting unless notice had been given, and it had been placed on the agenda in sufficient time for the foreman or foremen in question to be consulted by the management.

3. The foreman concerned was asked to attend the joint meeting.

4. Later, a special meeting of all leading foremen was held, a day or two before the joint meeting with the shop stewards, to discuss the agenda and the policy or questions arising out of it.

5. Finally, after the whole scheme had been in operation for some years, it was arranged, in addition to the foregoing, that the foremen should appoint a representative of their grade to be a permanent member of the management contingent that met the committee. This last arrangement did more to promote harmonious working of the whole scheme than all the others, but it is doubtful whether it would have been a success if instituted at the beginning.

2. PROVISION OF FACILITIES FOR COMMITTEE WORK

For any recognized Works Committees, the management should see that such facilities are put at their disposal as will enable them to carry out their work, and will give them standing and prestige in the works community. In the case of committees dealing with social work outside the direct work of the shop, all meetings and work can be expected to take place outside working hours, except in the case of the paid secretary, if the management has found it desirable to make such an appointment.

In the case of Shop Stewards' Committees, Welfare Committees, or General Shop Committees, some facilities for meetings may well be given in working hours. This would certainly apply to the joint meetings with the management, and to, say, one meeting of the workers' side of a committee, in between the periodic joint meetings. All time during working hours so spent would, of course, be paid for at the ordinary time rates of the members.

The time so occupied need not really be a very serious item. In the case in question, the Welfare Committee and the Shop

Stewards' Committee each held one joint meeting with the management per month in working hours. Later, these two committees were replaced by one General Works Committee, which held one joint meeting with the management monthly and one meeting of the workers' side monthly in working hours. Additional joint meetings had occasionally to be held, sometimes at intervals of a few days only, when some pressing question or negotiation was on the carpet, but, in the main, the business was able to be transacted through the monthly meetings.

A committee room for the meetings of the workers' side of Works Committees, or for meetings of Social Union Committees, should be provided. A large room, such as the works canteen, should also be available for special shop meetings, or for periodic general meetings, at which a committee can report on its work to its constituents. Such meetings may be held quarterly or half-yearly.

A secretary for the joint meetings may also well be provided by the management. If this is not done, facilities should certainly be given for the typing, duplicating, and issuing of minutes and reports.

For firms suitably placed, it is most desirable that a playing-field should be provided, laid out for various games. Rent can be asked for it by the management, if thought desirable, and can be paid by a social union such as that described here. In the case of all kinds of recognized Works Committees, the object to aim at is to make their work an integral part of the organization of the works community, providing whatever facilities are needed to make their work effective. On the other hand, anything like subsidizing of Works Committees by the management must be avoided.

3. RIGHTS OF SHOP STEWARDS AND WORKS COMMITTEE MEN TO MOVE ABOUT THE WORKS

In practice, the question will very early arise as to how far the shop stewards, welfare committee men, etc., should be given freedom to go about the works during working hours, in the transaction of their business. Every works management has a strong objection to men leaving their work and going about the shop, or entering into conversation in departments, and with people, other than those to which their daily work takes them. The impulse of the management will probably be to apply this restriction also to

the members of these committees. This is undesirable and useless. It is useless because it is impossible to prevent talk about shop politics and grievances, questions of the hour, etc., and if this talk is banished from the open it will be carried on surreptitiously in corners. It is undesirable because it is in the very nature of the Shop Committee movement to get all such talk out into the open and directed into recognized and official channels.

In the case in question, complete freedom was given to the Chairman and Secretary of the Shop Stewards' Committee to go into any works department and see anybody they wished, at any time, merely informing their foreman that they were going. Any other committee man had the right to go to see the Chairman or Secretary at any time, on notifying his foreman. Very little, if any, abuse of these privileges resulted.

4. NECESSITY FOR "EMPLOYMENT" OR "LABOUR DEPARTMENT"

Apart from the desirability on general grounds of instituting such a department to deal with general labour questions—supply of labour, conditions of employment, wage adjustments, apprenticeships, etc.—the dealings between the Works Committee and the management will make such a development an absolute necessity. The negotiations and discussions with the various committees will give rise to customs, precedents, procedures, and interpretations which will become in themselves a system of laws that will require the focusing of labour policy in a single department if chaos is to be avoided.

APPENDIX

LETTER ADDRESSED BY THE MINISTER OF LABOUR TO THE LEADING EMPLOYERS' ASSOCIATIONS AND TRADE UNIONS.

MINISTRY OF LABOUR,
MONTAGU HOUSE,
WHITEHALL, S.W.1.

20th October, 1917.

SIR,

In July last a circular letter was addressed by the Ministry of Labour to all the principal Employers' Associations and Trade Unions asking for their views on the proposals made in the Report of the Whitley Committee on Joint Standing Industrial Councils, a further copy of which is enclosed. As a result of the replies which have been received from a large number of Employers' organizations and Trade Unions generally favouring the adoption of those proposals, the War Cabinet have decided to adopt the Report as part of the policy which they hope to see carried into effect in the field of industrial reconstruction.

In order that the precise effect of this decision may not be misunderstood, I desire to draw attention to one or two points which have been raised in the communications made to the Ministry on the subject, and on which some misapprehension appears to exist in some quarters.

In the first place, fears have been expressed that the proposal to set up Industrial Councils indicates an intention to introduce an element of State interference which has hitherto not existed in industry. This is not the case. The formation and constitution of the Councils must be principally the work of the industries themselves. Although, for reasons which will be explained later, the Government are very anxious that such Councils should be established in all the well-organized industries with as little delay as possible, they fully realize that the success of the scheme must depend upon a general agreement among the various organizations within a given industry and a clearly expressed demand for the creation of a Council. Moreover, when formed, the Councils would be independent bodies electing their own officers and free to determine their own functions and procedure with reference to the peculiar needs of each trade. In fact, they would be autonomous bodies, and they would, in effect, make possible a larger degree of self-government in industry than exists to-day.

Secondly, the Report has been interpreted as meaning that the general constitution which it suggests should be applied without modification to each industry. This is entirely contrary to the view of the Government on the matter. To anyone with a knowledge of the diverse kinds of machinery already in operation, and the varying geographical and industrial conditions which affect different industries, it will be obvious that no rigid scheme can be applied to all of them. Each industry must therefore adapt the proposals made in the Report as may seem most suitable to its own needs. In some industries, for instance, it may be considered by both employers and employed that a system of Works Committees is unnecessary owing to the perfection of the arrangements already in operation for dealing with the difficulties arising in particular works between the management and the trade union officials. In others, Works Committees have done very valuable work where they have been introduced and their extension on agreed lines deserves every encouragement. Again, in industries which are largely based on district organizations it will probably be found desirable to assign more important functions to the

District Councils than would be the case in trades which are more completely centralized in national bodies. All these questions will have to be threshed out by the industries themselves, and settled in harmony with their particular needs.

Thirdly, it should be made clear that representation on the Industrial Councils is intended to be on the basis of existing organizations among employers and workmen concerned in each industry, although it will, of course, be open to the Councils, when formed, to grant representation to any new bodies which may come into existence and which may be entitled to representation. The authority, and consequently the usefulness, of the Councils will depend entirely on the extent to which they represent the different interests and enjoy the whole-hearted support of the existing organizations, and it is therefore desirable that representation should be determined on as broad a basis as possible.

Lastly, it has been suggested that the scheme is intended to promote compulsory arbitration. This is certainly not the case. Whatever agreements may be made for dealing with disputes must be left to the industry itself to frame, and their efficacy must depend upon the voluntary co-operation of the organizations concerned in carrying them out.

I should now like to explain some of the reasons which have made the Government anxious to see Industrial Councils established as soon as possible in the organized trades. The experience of the war has shown the need for frequent consultation between the Government and the chosen representatives of both employers and workmen on vital questions concerning those industries which have been most affected by war conditions. In some instances, different Government Departments have approached different organizations in the same industry, and in many cases the absence of joint representative bodies which can speak for their industries as a whole and voice the joint opinion of employers and workmen, has been found to render negotiations much more difficult than they would otherwise have been. The case of the cotton trade, where the industry is being regulated during a very difficult time by a Joint Board of Control, indicates how greatly the task of the State can be alleviated by a self-governing body capable of taking charge of the interests of the whole industry. The problems of the period of transition and reconstruction will not be less difficult than those which the war has created, and the Government accordingly feel that the task of re-building the social and economic fabric on a broader and surer foundation will be rendered much easier if in the organized trades there exist representative bodies to which the various questions of difficulty can be referred for consideration and advice as they arise. There are a number of such questions on which the Government will need the united and considered opinion of each large industry, such as the demobilization of the Forces, the re-settlement of munition workers in civil industries, apprenticeship (especially where interrupted by war service), the training and employment of disabled soldiers, and the control of raw materials; and the more it is able to avail itself of such an opinion the more satisfactory and stable the solution of these questions is likely to be.

Further, it will be necessary in the national interest to ensure a settlement of the more permanent questions which have caused differences between employers and employed in the past, on such a basis as to prevent the occurrence of disputes and of serious stoppages in the difficult period during which the problems just referred to will have to be solved. It is felt that this object can only be secured by the existence of permanent bodies on the lines suggested by the Whitley Report, which will be capable not merely of dealing with disputes when they arise, but of settling the big questions at issue so far as possible on such a basis as to prevent serious conflicts arising at all.

The above statement of the functions of the Councils is not intended to be exhaustive, but only to indicate some of the more immediate questions which they will be called upon to deal with when set up. Their general objects are

described in the words of the Report as being ' to offer to workpeople the means of attaining improved conditions of employment and a higher standard of comfort generally, and involve the enlistment of their active and continuous co-operation in the promotion of industry.' Some further specific questions, which the Councils might consider, were indicated by the Committee in paragraph 16 of the Report, and it will be for the Councils themselves to determine what matters they shall deal with. Further, such Councils would obviously be the suitable bodies to make representations to the Government as to legislation, which they think would be of advantage to their industry.

In order, therefore, that the Councils may be able to fulfil the duties which they will be asked to undertake, and that they may have the requisite status for doing so, the Government desire it to be understood that the Councils will be recognized as the official standing Consultative Committees to the Government on all future questions affecting the industries which they represent, and that they will be the normal channel through which the opinion and experience of an industry will be sought on all questions with which the industry is concerned. It will be seen, therefore, that it is intended that Industrial Councils should play a definite and permanent part in the economic life of the country, and the Government feels that it can rely on both employers and workmen to co-operate in order to make that part a worthy one.

I hope, therefore, that you will take this letter as a formal request to your organization on the part of the Government to consider the question of carrying out the recommendations of the Report as far as they are applicable to your industry. The Ministry of Labour will be willing to give every assistance in its power in the establishment of Industrial Councils, and will be glad to receive suggestions as to the way in which it can be given most effectively. In particular, it will be ready to assist in the convening of representative conferences to discuss the establishment of Councils, to provide secretarial assistance and to be represented, if desired, in a consultative capacity at the preliminary meetings. The Ministry will be glad to be kept informed of any progress made in the direction of forming Councils. Although the scheme is only intended, and, indeed, can only be applied, in trades which are well organized on both sides, I would point out that it rests with those trades which do not at present possess a sufficient organization to bring it about if they desire to apply it to themselves.

In conclusion, I would again emphasize the pressing need for the representative organizations of employers and workpeople to come together in the organized trades and to prepare themselves for the problems of reconstruction by forming Councils competent to deal with them. The Government trust that they will approach these problems not as two opposing forces each bent on getting as much and giving as little as can be contrived, but as forces having a common interest in working together for the welfare of their industry, not merely for the sake of those concerned in it, but also for the sake of the nation which depends so largely on its industries for its well-being. If the spirit which has enabled all classes to overcome by willing co-operation the innumerable dangers and difficulties which have beset us during the war is applied to the problems of Reconstruction, I am convinced that they can be solved in a way which will lay the foundation of the future prosperity of the country and of those engaged in its great industries.

I am, Sir,

Your obedient servant,

GEO. H. ROBERTS.

INDUSTRIAL COUNCILS

REPORT OF THE RECONSTRUCTION COMMITTEE ON RELATIONS
BETWEEN EMPLOYERS AND EMPLOYED

THE Committee consisted of the following members—

The Right Hon. J. H. Whitley, M.P., *Chairman* (Chairman of Committees, House of Commons). Mr. F. S. Button, formerly Member of Executive Council, Amalgamated Society of Engineers; Sir G. J. Carter, K.B.E., Chairman, Shipbuilding Employers' Federation; Professor S. J. Chapman, C.B.E., Professor of Political Economy, University of Manchester; Sir Gilbert Cloughton, Bart., Chairman, London and North Western Railway Company; Mr. J. R. Clynes, M.P., President, National Union of General Workers; Mr. J. A. Hobson; Miss Susan Lawrence, Member of London County Council and Member of the Executive Committee of the Women's Trade Union League; Mr. J. J. Mallon, Secretary, National Anti-Sweating League; Sir Thos. A. Ratchiffe-Ellis, Secretary, Mining Association of Great Britain; Mr. Robert Smillie, President, Miners' Federation of Great Britain; Mr. Allan M. Smith, Chairman, Engineering Employers' Federation; Miss Mona Wilson, National Health Insurance Commissioner. Mr. H. J. Wilson (Ministry of Labour), Mr. Arthur Greenwood, *Secretaries*.

To the Right Honourable D. Lloyd George, M.P., Prime Minister.

SIR,

We have the honour to submit the following Interim Report on Joint Standing Industrial Councils.

2. The terms of reference to the Sub-Committee are—

"(1) To make and consider suggestions for securing a permanent improvement in the relations between employers and workmen.

"(2) To recommend means for securing that industrial conditions affecting the relations between employers and workmen shall be systematically reviewed by those concerned, with a view to improving conditions in the future."

3. After a general consideration of our duties in relation to the matters referred to us, we decided first to address ourselves to the problem of establishing permanently improved relations between employers and employed in the main industries of the country, in which there exist representative organizations on both sides. The present Report accordingly deals more especially with these trades. We are proceeding with the consideration of the problems connected with the industries which are less well organized.

4. We appreciate that under the pressure of the war both employers and workpeople and their organizations are very much pre-occupied, but, notwithstanding, we believe it to be of the highest importance that our proposals should be put before those concerned without delay, so that employers and employed may meet in the near future and discuss the problems before them.

5. The circumstances of the present time are admitted on all sides to offer a great opportunity for securing a permanent improvement in the relations between employers and employed, while failure to utilize the opportunity may involve the nation in grave industrial difficulties at the end of the war.

It is generally allowed that the war almost enforced some reconstruction of industry, and in considering the subjects referred to us we have kept in view the need for securing in the development of reconstruction the largest possible measure of co-operation between employers and employed.

In the interests of the community it is vital that after the war the co-operation of all classes, established during the war, should continue, and more especially with regard to the relations between employers and employed. For securing improvement in the latter, it is essential that any proposals put forward should offer to workpeople the means of attaining improved conditions of employment and a higher standard of comfort generally, and involve

the enlistment of their active and continuous co-operation in the promotion of industry.

To this end, the establishment for each industry of an organization, representative of employers and workpeople, to have as its object the regular consideration of matters affecting the progress and well-being of the trade from the point of view of all those engaged in it, so far as this is consistent with the general interest of the community, appears to us necessary.

6. Many complicated problems have arisen during the war which have a bearing both on employers and workpeople, and may affect the relations between them. It is clear that industrial conditions will need careful handling if grave difficulties and strained relations are to be avoided after the war has ended. The precise nature of the problems to be faced naturally varies from industry to industry, and even from branch to branch within the same industry. Their treatment consequently will need an intimate knowledge of the facts and circumstances of each trade, and such knowledge is to be found only among those directly connected with the trade.

7. With a view to providing means for carrying out the policy outlined above, we recommend that His Majesty's Government should propose without delay to the various associations of employers and employed the formation of Joint Standing Industrial Councils in the several industries, where they do not already exist, composed of representatives of employers and employed, regard being paid to the various sections of the industry and the various classes of labour engaged.

8. The appointment of a Chairman or Chairmen should, we think, be left to the Council who may decide that these should be—

(1) A Chairman for each side of the Council ;

(2) A Chairman and Vice-Chairman selected from the members of the Council (one from each side of the Council) ;

(3) A Chairman chosen by the Council from independent persons outside the industry ; or

(4) A Chairman nominated by such person or authority as the Council may determine, or, failing agreement, by the Government.

9. The Council should meet at regular and frequent intervals.

10. The objects to which the consideration of the Councils should be directed should be appropriate matters affecting the several industries and particularly the establishment of a closer co-operation between employers and employed. Questions connected with demobilization will call for early attention.

11. One of the chief factors in the problem, as it at first presents itself, consists of the guarantees given by the Government, with Parliamentary sanction, and the various undertakings entered into by employers, to restore the Trade Union rules and customs suspended during the war. While this does not mean that all the lessons learnt during the war should be ignored, it does mean that the definite co-operation and acquiescence by both employers and employed must be a condition of any setting aside of these guarantees or undertakings, and that, if new arrangements are to be reached, in themselves more satisfactory to all parties but not in strict accordance with the guarantees, they must be the joint work of employers and employed.

12. The matters to be considered by the Councils must inevitably differ widely from industry to industry as different circumstances and conditions call for different treatment, but we are of opinion that the suggestions set forth below ought to be taken into account, subject to such modification in each case as may serve to adapt them to the needs of the various industries.

13. In the well-organized industries, one of the first questions to be considered should be the establishment of local and works organizations to supplement and make more effective the work of the central bodies. It is not enough to secure co-operation at the centre between the national organizations ; it is equally necessary to enlist the activity and support of employers and employed in the districts and in individual establishments. The National

Industrial Council should not be regarded as complete in itself; what is needed is a triple organization—in the workshops, the districts, and nationally. Moreover, it is essential that the organization at each of these three stages should proceed on a common principle, and that the greatest measure of common action between them should be secured.

14. With this end in view, we are of opinion that the following proposals should be laid before the National Industrial Councils—

(a) That District Councils, representative of the Trade Unions and of the Employers' Association in the industry, should be created, or developed out of the existing machinery for negotiation in the various trades.

(b) That Works Committees, representative of the management and of the workers employed, should be instituted in particular works to act in close co-operation with the district and national machinery.

As it is of the highest importance that the scheme making provision for these Committees should be such as to secure the support of the Trade Unions and Employers' Associations concerned, its design should be a matter for agreement between these organizations.

Just as regular meetings and continuity of co-operation are essential in the case of the National Industrial Councils, so they seem to be necessary in the case of the district and works organizations. The object is to secure co-operation by granting to workpeople a greater share in the consideration of matters affecting their industry, and this can only be achieved by keeping employers and workpeople in constant touch.

15. The respective functions of Works Committees, District Councils, and National Councils will no doubt require to be determined separately in accordance with the varying conditions of different industries. Care will need to be taken in each case to delimit accurately their respective functions, in order to avoid overlapping and resulting friction. For instance, where conditions of employment are determined by national agreements, the District Councils or Works Committees should not be allowed to contract out of conditions so laid down, nor, where conditions are determined by local agreements, should such power be allowed to Works Committees.

16. Among the questions with which it is suggested that the National Councils should deal or allocate to District Councils or Works Committees the following may be selected for special mention—

(i) The better utilization of the practical knowledge and experience of the workpeople.

(ii) Means for securing to the workpeople a greater share in and responsibility for the determination and observance of the conditions under which their work is carried on.

(iii) The settlement of the general principles governing the conditions of employment, including the methods of fixing, paying, and re-adjusting wages, having regard to the need for securing to the workpeople a share in the increased prosperity of the industry.

(iv) The establishment of regular methods of negotiation for issues arising between employers and workpeople, with a view both to the prevention of differences, and to their better adjustment when they appear.

(v) Means of ensuring to the workpeople the greatest possible security of earnings and employment, without undue restriction upon change of occupation or employer.

(vi) Methods of fixing and adjusting earnings, piecework prices, etc., and of dealing with the many difficulties which arise with regard to the method and amount of payment apart from the fixing of general standard rates, which are already covered by paragraph (iii).

(vii) Technical education and training.

(viii) Industrial research and the full utilization of its results.

(ix) The provision of facilities for the full consideration and utilization of inventions and improvement designed by workpeople, and for the adequate safeguarding of the rights of the designers of such improvements.

(x) Improvements of processes, machinery, and organization and appropriate questions relating to management and the examination of industrial experiments, with special reference to co-operation in carrying new ideas into effect and full consideration of the workpeople's point of view in relation to them.

(xi) Proposed legislation affecting the industry.

17. The methods by which the functions of the proposed Councils should be correlated to those of joint bodies in the different districts, and in the various works within the districts, must necessarily vary according to the trade. It may, therefore, be the best policy to leave it to the trades themselves to formulate schemes suitable to their special circumstances, it being understood that it is essential to secure in each industry the fullest measure of co-operation between employers and employed, both generally, through the National Councils, and specifically, through District Committees and Workshop Committees.

18. It would seem advisable that the Government should put the proposals relating to National Industrial Councils before the employers' and workpeople's associations and request them to adopt such measures as are needful for their establishment where they do not already exist. Suitable steps should also be taken, at the proper time, to put the matter before the general public.

19. In forwarding the proposals to the parties concerned, we think the Government should offer to be represented in an advisory capacity at the preliminary meetings of a Council, if the parties so desire. We are also of opinion that the Government should undertake to supply to the various Councils such information on industrial subjects as may be available and likely to prove of value.

20. It has been suggested that means must be devised to safeguard the interests of the community against possible action of an anti-social character on the part of the Councils. We have, however, here assumed that the Councils, in their work of promoting the interests of their own industries, will have regard for the National interest. If they fulfil their functions they will be the best builders of national prosperity. The State never parts with its inherent over-riding power, but such power may be least needed when least obtruded.

21. It appears to us that it may be desirable at some later stage for the State to give the sanction of law to agreements made by the Councils, but the initiative in this direction should come from the Councils themselves.

22. The plans sketched in the foregoing paragraphs are applicable in the form in which they are given only to industries in which there are responsible associations of employers and workpeople which can claim to be fairly representative. The case of the less well-organized trades or sections of a trade necessarily needs further consideration. We hope to be in a position shortly to put forward recommendations that will prepare the way for the active utilization in these trades of the same practical co-operation as is foreshadowed in the proposals made above for the more highly-organized trades.

23. It may be desirable to state here our considered opinion that an essential condition of securing a permanent improvement in the relations between employers and employed is that there should be adequate organization on the part of both employers and workpeople. The proposals outlined for joint co-operation throughout the several industries depend for their ultimate success upon there being such organization on both sides; and such organization is necessary also to provide means whereby the arrangements and agreements made for the industry may be effectively carried out.

24. We have thought it well to refrain from making suggestions or offering opinions with regard to such matters as profit-sharing, co-partnership, or particular systems of wages, etc. It would be impracticable for us to make any useful general recommendations on such matters, having regard to the varying conditions in different trades. We are convinced, moreover, that a

permanent improvement in the relations between employers and employed must be founded upon something other than a cash basis. What is wanted is that the workpeople should have a greater opportunity of participating in the discussion about and adjustment of those parts of industry by which they are most affected.

25. The schemes recommended in this Report are intended not merely for the treatment of industrial problems when they have become acute, but also, and more especially, to prevent their becoming acute. We believe that regular meetings to discuss industrial questions, apart from and prior to any differences with regard to them that may have begun to cause friction, will materially reduce the number of occasions on which, in the view of either employers or employed, it is necessary to contemplate recourse to a stoppage of work.

26. We venture to hope that representative men in each industry, with pride in their calling and care for its place as a contributor to the national well-being, will come together in the manner here suggested, and apply themselves to promoting industrial harmony and efficiency and removing the obstacles that have hitherto stood in the way.

We have the honour to be, Sir,

Your obedient Servants,

J. H. WHITLEY, *Chairman*.
 F. S. BUTTON.
 GEO. J. CARTER.
 S. J. CHAPMAN.
 G. H. CLAUGHTON.
 J. R. CLYNES.
 J. A. HOBSON.
 A. SUSAN LAWRENCE.
 J. J. MALLON.
 THOS. R. RATCLIFFE-ELLIS.
 ROBT. SMILLIE.
 ALLAN M. SMITH.
 MONA WILSON.

H. J. WILSON,
 ARTHUR GREENWOOD,
Secretaries.

8th March, 1917.

RECONSTRUCTION COMMITTEE'S QUESTIONS

THE following questions were addressed by the Reconstruction Committee to the Sub-Committee on the Relations between Employers and Employed in order to make clear certain points which appeared to call for further elucidation. The answers given are subjoined.

Q. 1. In what classes of Industries does the Interim Report propose that Industrial Councils shall be established? What basis of classification has the Sub-Committee in view?

A. 1. It has been suggested that, for the purpose of considering the establishment of Industrial Councils, or other bodies designed to assist in the improvement of relations between employers and employed, the various industries should be grouped into three classes—(a) industries in which organization on the part of employers and employed is sufficiently developed to render the Councils representative; (b) industries in which either as regards employers and employed, or both, the degree of organization, though considerable, is less marked than in (a) and is insufficient to be regarded as representative; and (c) industries in which organization is so imperfect, either as regards employers or employed, or both, that no Associations can be said adequately to represent those engaged in the trade.

It will be clear that an analysis of industries will show a number which are on the border lines between these groups, and special consideration will have to be given to such trades. So far as groups (a) and (c) are concerned, a fairly large number of trades can readily be assigned to them; group (b) is necessarily more indeterminate.

For trades in group (a) the Committee have proposed the establishment of Joint Standing Industrial Councils in the several trades. In dealing with the various industries it may be necessary to consider specially the case of parts of industries in group (a) where organization is not fully developed.

Q. 2. Is the machinery proposed intended to be in addition to or in substitution for existing machinery? Is it proposed that existing machinery should be superseded? By "existing machinery" is meant Conciliation Boards and all other organizations for joint conference and discussion between employers and employed.

A. 2. In most organized trades there already exist joint bodies for particular purposes. It is not proposed that the Industrial Councils should necessarily disturb these existing bodies. A Council would be free, if it chose and if the bodies concerned approved, to merge existing Committees, etc., in the Council or to link them with the Council as Sub-Committees.

Q. 3. Is it understood that membership of the Council is to be confined to representatives elected by Employers' Associations and Trade Unions? What is the view of the Sub-Committee regarding the entry of new organizations established after the Councils have been set up?

A. 3. It is intended that the Councils should be composed only of representatives of Trade Unions and Employers' Associations, and that new organizations should be admitted only with the approval of the particular side of the Council of which the organization would form a part.

Q. 4. (a)—Is it intended that decisions reached by the Councils shall be binding upon the bodies comprising them? If so, is such binding effect to be conditional upon the consent of each Employers' Association or Trade Union affected?

A. 4. (a)—It is contemplated that agreements reached by Industrial Councils should (whilst not, of course, possessing the binding force of law) carry with them the same obligation of observance as exists in the case of other agreements between Employers' Associations and Trade Unions. A Council, being on its workmen's side based on the Trade Unions concerned in the industry, its powers or authority could only be such as the constituent Trade Unions freely agreed to.

Q. 4. (b)—In particular, is it intended that all pledges given either by the Government or employers for the restoration of Trade Union rules and practices after the war shall be redeemed without qualification unless the particular Trade Union concerned agrees to alteration; or, on the contrary, that the Industrial Council shall have power to decide such question by a majority vote of the workmen's representatives from all the Trade Unions in the industry?

A. 4. (b) It is clearly intended that all pledges relating to the restoration of Trade Union rules shall be redeemed without qualification unless the particular Trade Union concerned agrees to alteration; and it is not intended that the Council shall have power to decide such questions by a majority vote of the workmen's representatives from all the Trade Unions in the industry.

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