PUBLICATION OF THE GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

GEORGE F. BAKER FOUNDATION-HARVARD UNIVERSITY

OLUME XXIII, NUMBER 1 MARCH, 1936 BUSINESS RESEARCH STUDIES NUMBER 14

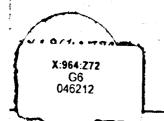
LAW AND LABOR RELATIONS

A STUDY OF THE INDUSTRIAL DISPUTES
INVESTIGATION ACT OF CANADA

BY 'B. M. SELEKMAN







PRICE \$1.00

GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

• BUREAU OF BUSINESS RESEARCH • SOLDIERS FIELD, BOSTON, MASSACHUSETTS

DIVISION OF RESEARCH: BUSINESS RESEARCH STUDIES

BUREAU OF BUSINESS RESEARCH: BULLETINS IN PRINT AUTOMOBILE TIRE AND ACCESSORY—RETAIL No. 48. Operating Expenses in the Retail Automobile Tire and Accessory Business in 1923	No. 1. Merchandising of Cotton Textiles—Methods and Organization, by Melvin T. Copeland and Edmund P. Learned					
No. 48. Operating Expenses in the Retail Automobile Tire and Accessory Business in 1923. 50 cents AUTOMOTIVE EQUIPMENT—WHOLESALE Operating Expenses in the Wholesale Automotive Equipment Business: 1924, No. 51; 1923, No. 42. 50 cents each BUILDING MATERIALS No. 81. Operating Results and Policies of Building Material Dealers in 1928. \$2.50 Operating Expenses of Building Material Dealers: 1927, No. 75; 1926, No. 64. \$1.50 each CHAIN STORES No. 98. Expenses and Profits of Limited Price Variety Chains in 1934. \$1.00 No. 95. Expenses and Profits of Variety Chains in 1933. \$1.00 No. 94. Chain Store Expenses and Profits an Interim Report for 1932. \$1.00 No. 99. Expenses and Profits of Variety Chains in 1932. \$1.00 No. 90. Expenses and Profits of Variety Chains in 1931 Compared with 1929. \$1.00 No. 81. Expenses and Profits of Variety Chains in 1931 Compared with 1929. \$1.00 No. 86. Operating Results of Drug Chains in 1929. \$1.00 No. 87. Operating Results of Drug Chains in 1929. \$1.00 No. 88. Expenses and Profits in the Chain Grocery Business in 1929. \$1.00 CORDAGE No. 82. Distribution of Hard Fibre Cordage (1927). \$2.00 COTTON (See also TEXTILES) No. 94. A Study of Cotton Hedging for a Grey Goods Mill, 1921–23. \$0 cents No. 17. International Comparisons of Prices of Cotton Cloth—January, 1919—March, 1920. \$0 cents No. 97. Operating Results of Department Stores in the Pacific Coast States: 1934. \$0 cents No. 97. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 91. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 91. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 92. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 93. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 94. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 95. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 98. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 98.	BUREAU OF BUSINESS RESEARCH: BULLETINS IN PRINT					
Operating Expenses in the Wholesale Automotive Equipment Business: 1924, No. 51; 1923, No. 42 50 cents each BUILDING MATERIALS No. 81. Operating Results and Policies of Building Material Dealers in 1928. Operating Expenses of Building Material Dealers: 1927, No. 75; 1926, No. 64. \$1.50 each CHAIN STORES No. 98. Expenses and Profits of Limited Price Variety Chains in 1934. No. 90. Expenses and Profits of Variety Chains in 1934. No. 91. Captering Expenses and Profits of Variety Chains in 1932. No. 90. Expenses and Profits of Variety Chains in 1932. No. 90. Expenses and Profits of Variety Chains in 1932. No. 90. Expenses and Profits of Variety Chains in 1932. No. 90. Expenses and Profits of Variety Chains in 1932. No. 80. Expenses and Profits of Variety Chains in 1931 Compared with 1929. No. 81. Operating Results of Drug Chains in 1929. No. 82. Operating Results of Drug Chains in 1929. No. 84. Expenses and Profits in the Chain Grocery Business in 1929. CORDAGE No. 82. Distribution of Hard Fibre Cordage (1927). COTTON (See also TEXTILES) No. 49. A Study of Cotton Hedging for a Grey Goods Mill, 1921-23. No. 17. International Comparisons of Prices of Cotton Cloth—January, 1919—March, 1920. 50 cents No. 17. International Comparisons of Prices of Cotton Cloth—January, 1919—March, 1920. 50 cents No. 92. Operating Results of Department Stores in the Pacific Coast States: 1934. So cents No. 96. Operating Results of Department and Specialty Stores in 1933. So cents No. 91. Operating Results of Department and Specialty Stores in 1934. So cents No. 92. Operating Results of Department and Specialty Stores in 1934. So cents No. 93. Operating Results of Department and Specialty Stores in 1934. So cents No. 94. Operating Results of Department and Specialty Stores in 1934. So cents No. 95. Operating Results of Department and Specialty Stores in 1934. So cents No. 96. Operating Results of Department and Specialty Stores in 1934. So cents No. 97. Operating Results of Department Stores No. 97. 97. 97						
No. 81. Operating Results and Policies of Building Material Dealers in 1928. \$2.50 Operating Expenses of Building Material Dealers: 1927, No. 75; 1926, No. 64. \$1.50 each CHAIN STORES No. 98. Expenses and Profits of Limited Price Variety Chains in 1934. \$1.00 No. 95. Expenses and Profits of Variety Chains in 1933. \$1.00 No. 94. Chain Store Expenses and Profits: An Interim Report for 1932. \$1.00 No. 99. Expenses and Profits of Variety Chains in 1932. \$1.00 No. 90. Expenses and Profits of Department Store Chains and Department Store Ownership Groups in 1931 \$1.00 No. 80. Expenses and Profits of Department Store Chains and Department Store Ownership Groups in 1931 \$1.00 No. 87. Operating Results of Drug Chains in 1929. \$1.00 No. 86. Operating Results of Drug Chains in 1929. \$1.00 No. 86. Operating Results of Shoe Chains in 1929. \$1.00 No. 81. Expenses and Profits in the Chain Grocery Business in 1929. \$1.00 CORDAGE No. 82. Distribution of Hard Fibre Cordage (1927). \$2.00 COTTON (See also TEXTILES) No. 49. A Study of Cotton Hedging for a Grey Goods Mill, 1921–23. \$0 cents No. 17. International Comparisons of Prices of Cotton Cloth—January, 1919—March, 1920. 50 cents No. 97. Operating Results of Department Stores in the Pacific Coast States: 1934. \$2.50* No. 97. Operating Results of Department Stores in the Pacific Coast States: 1934. \$2.50* No. 90. Operating Results of Department and Specialty Stores in 1933. \$2.50* No. 91. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 92. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 83. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 84. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 85. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 80. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 81. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 80. Operating Results of Department Stores and Department Stores 1						
No. 81. Operating Results and Policies of Building Material Dealers in 1928. \$2.50 Operating Expenses of Building Material Dealers: 1927, No. 75; 1926, No. 64. \$1.50 each CHAIN STORES No. 98. Expenses and Profits of Limited Price Variety Chains in 1934. \$1.00 No. 95. Expenses and Profits of Variety Chains in 1933. \$1.00 No. 94. Chain Store Expenses and Profits: An Interim Report for 1932. \$1.00 No. 99. Expenses and Profits of Variety Chains in 1932. \$1.00 No. 90. Expenses and Profits of Department Store Chains and Department Store Ownership Groups in 1931 \$1.00 No. 80. Expenses and Profits of Department Store Chains and Department Store Ownership Groups in 1931 \$1.00 No. 87. Operating Results of Drug Chains in 1929. \$1.00 No. 86. Operating Results of Drug Chains in 1929. \$1.00 No. 86. Operating Results of Shoe Chains in 1929. \$1.00 No. 81. Expenses and Profits in the Chain Grocery Business in 1929. \$1.00 CORDAGE No. 82. Distribution of Hard Fibre Cordage (1927). \$2.00 COTTON (See also TEXTILES) No. 49. A Study of Cotton Hedging for a Grey Goods Mill, 1921–23. \$0 cents No. 17. International Comparisons of Prices of Cotton Cloth—January, 1919—March, 1920. 50 cents No. 97. Operating Results of Department Stores in the Pacific Coast States: 1934. \$2.50* No. 97. Operating Results of Department Stores in the Pacific Coast States: 1934. \$2.50* No. 90. Operating Results of Department and Specialty Stores in 1933. \$2.50* No. 91. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 92. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 83. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 84. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 85. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 80. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 81. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 80. Operating Results of Department Stores and Department Stores 1	RIII DING MATERIAIS					
No. 98. Expenses and Profits of Limited Price Variety Chains in 1934. \$1.00 No. 95. Expenses and Profits of Variety Chains in 1933. \$1.00 No. 94. Chain Store Expenses and Profits of Interim Report for 1932. \$1.00 No. 93. Expenses and Profits of Variety Chains in 1932. \$1.00 No. 90. Expenses and Profits of Operatment Store Chains and Department Store Ownership Groups in 1931 \$1.00 No. 80. Expenses and Profits of Department Store Chains and Department Store Ownership Groups in 1931 \$1.00 No. 87. Operating Results of Drug Chains in 1939. \$1.00 No. 88. Expenses and Profits of Variety Chains in 1929. \$1.00 No. 84. Expenses and Profits in the Chain Grocery Business in 1929. \$1.00 CORDAGE No. 82. Distribution of Hard Fibre Cordage (1927). \$2.00 COTTON (See also TEXTILES) No. 49. A Study of Cotton Hedging for a Grey Goods Mill, 1921–23. \$50 cents No. 17. International Comparisons of Prices of Cotton Cloth—January, 1919—March, 1920. \$50 cents DEPARTMENT STORES (See also CHAIN STORES) No. 97. Operating Results of Department Stores in the Pacific Coast States: 1934. \$2.50* No. 91. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 92. Operating Results of Department and Specialty Stores in 1933. \$2.50* No. 93. Operating Results of Department and Specialty Stores in 1931. \$3.50* No. 88. Operating Results of Department and Specialty Stores in 1931. \$3.50* No. 89. Operating Results of Department and Specialty Stores in 1931. \$3.50* Operating Results of Department and Specialty Stores in 1931. \$3.50* No. 78. Operating Expenses of Department Stores and Departmentized Specialty Stores in 1928. \$2.50 Operating Expenses of Department And Specialty Stores in 1931. \$3.50* No. 61. Department Store Operatment Stores and Departments of Department Stores (1926). \$2.00 Operating Expenses in Department Stores: 1925, No. 57; 1924, No. 53; 1922, No. 37; 1921, No. 33. 50 cents each	No. 81. Operating Results and Policies of Building Material Dealers in 1928. \$2.50					
No. 95. Expenses and Profits of Variety Chains in 1933	CHAIN STORES					
No. 82. Distribution of Hard Fibre Cordage (1927)	No. 95. Expenses and Profits of Variety Chains in 1933					
COTTON (See also TEXTILES) No. 49. A Study of Cotton Hedging for a Grey Goods Mill, 1921-23	CORDAGE					
No. 49. A Study of Cotton Hedging for a Grey Goods Mill, 1921-23	No. 82. Distribution of Hard Fibre Cordage (1927)\$2.00					
No. 49. A Study of Cotton Hedging for a Grey Goods Mill, 1921-23	COTTON (See also TEXTILES)					
No. 97. Operating Results of Department Stores in the Pacific Coast States: 1934. 50 cents No. 96. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 92. Operating Results of Department and Specialty Stores in 1933. \$2.50* No. 91. Operating Results of Department and Specialty Stores in 1932. \$3.50* No. 88. Operating Results of Department and Specialty Stores in 1931. \$3.00* Operating Results of Department and Specialty Stores in 1931. \$3.00* Operating Results of Department and Specialty Stores: 1930, No. 85; 1929, No. 83. \$5.00 each* No. 78. Operating Expenses of Department Stores and Departmentized Specialty Stores in 1928. \$2.50 Operating Expenses of Department and Specialty Stores: 1927, No. 74; 1926, No. 63. \$1.50 each No. 61. Department Store Operating Expenses for 1926, and Financial Ratios for 1923, 1924, 1925— Preliminary Report. \$1.50 No. 59. Cases on Merchandise Control in Women's Shoe Departments of Department Stores (1926). \$2.00 Operating Expenses in Department Stores: 1925, No. 57; 1924, No. 53; 1922, No. 37; 1921, No. 33. 50 cents each	No. 49. A Study of Cotton Hedging for a Grey Goods Mill, 1921-23					
No. 96. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 92. Operating Results of Department and Specialty Stores in 1933. \$2.50* No. 91. Operating Results of Department and Specialty Stores in 1932. \$3.50* No. 88. Operating Results of Department and Specialty Stores in 1931. \$3.00* Operating Results of Department and Specialty Stores in 1931. \$3.00* Operating Results of Department and Specialty Stores: 1930, No. 85; 1929, No. 83. \$5.00 each* No. 78. Operating Expenses of Department Stores and Departmentized Specialty Stores in 1928. \$2.50 Operating Expenses of Department and Specialty Stores: 1927, No. 74; 1926, No. 63. \$1.50 each No. 61. Department Store Operating Expenses for 1926, and Financial Ratios for 1923, 1924, 1925— Preliminary Report. \$1.50 No. 59. Cases on Merchandise Control in Women's Shoe Departments of Department Stores (1926). \$2.00 Operating Expenses in Department Stores: 1925, No. 57; 1924, No. 53; 1922, No. 37; 1921, No. 33. 50 cents each	DEPARTMENT STORES (See also CHAIN STORES)					
	No. 97. Operating Results of Department Stores in the Pacific Coast States: 1934. 50 cents No. 96. Operating Results of Department and Specialty Stores in 1934. \$2.50* No. 92. Operating Results of Department and Specialty Stores in 1933. \$2.50* No. 91. Operating Results of Department and Specialty Stores in 1932. \$3.50* No. 88. Operating Results of Department and Specialty Stores in 1931. \$3.00* Operating Results of Department and Specialty Stores: 1930, No. 85; 1929, No. 83. \$5.00 each* No. 78. Operating Expenses of Department Stores and Departmentized Specialty Stores in 1928. \$2.50 Operating Expenses of Department and Specialty Stores: 1927, No. 74; 1926, No. 63. \$1.50 each No. 61. Department Store Operating Expenses for 1926, and Financial Ratios for 1923, 1924, 1925— Preliminary Report. \$1.50 No. 59. Cases on Merchandise Control in Women's Shoe Departments of Department Stores (1926). \$2.00					

To arms furnishing figures for the department store studies, to members of the National Retail Dry Goods Association, which financed the work, and to educational institutions, etc., the list price of Bulletins Nos. 83 and 85 is \$2.00 and of Bulletins Nos. 88, 91, 92, and 96 is \$1.00, and the regular discounts apply.

Orders for the publications listed on these pages should be addressed to the Bureau of Business Research, Harvard Graduate School of Business Administration, Soldiers Field, Boston, Massachusetts. Whenever possible the remittance abould accompany the order. Checks should be made payable to the Bureau of Business Research.

Discounts: 50% to educational institutions, to professors, and to libraries operated by universities, municipalities, governments, or public institutions. Trade and quantity discounts on application.

LAW AND LABOR RELATIONS

A STUDY OF THE INDUSTRIAL DISPUTES INVESTIGATION ACT OF CANADA



BY

B. M. SELEKMAN, Ph.D. LECTURER IN URBAN INDUSTRIAL PROBLEMS



HARVARD UNIVERSITY GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

BUREAU OF BUSINESS RESEARCH SOLDIERS FIELD, BOSTON, MASSACHUSETTS

HARVARD UNIVERSITY

GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

GEORGE F. BAKER FOUNDATION
WALLACE B. DONHAM, Dean

MALCOLM P. McNair, Director of Research

Copyright, 1936

By the President and Fellows of
Harvard College

×:941:272

462/2

CONTENTS

•	PA	GE
Tabl	es	iv
Ackn	nowledgment	v
СНАРТЕ	CR.	
I.	Government and Labor Relations in Canada and in the United States	1
II.	The Canadian Act, Its Operation and Administration: 1907-1935 .	4
III.	The Basis of Board Decisions: Wages and Hours	11
IV.	The Basis of Board Decisions: Employees' Representation and Collec-	
	tive Bargaining	23
V.	Changing Attitudes towards the Act	35
VI.	Significance of Canadian Experience for the United States	44
Appe	endix. Text of Industrial Disputes Investigation Act with Amendmen	nts
	Passed in 1910, 1918, 1920, and 1925	53

TABLES

Table		Applications for Boards, by Origin of Application, Larch 22, 1907, to March 31, 1935	GE 7
Table		Action Resulting from Applications for Boards, March 22, 1907, to March 31, 1935	7
Table	3.	Extent of Agreement among Members of Boards, March 22, 1907, to March 31, 1935	7
Table	4.	Results Obtained in Disputes Referred to Boards, March 22, 1907, to March 31, 1935	8
Table	5.	Estimated Number of Strikes Occurring in Public Utility Industries in Violation of the Act, March 22, 1907, to March 31, 1935	8
Table	6.	Estimated Number of Stoppages Occurring in Public Utility Industries in Violation of the Act, by Industries and by Periods, 1907 to 1925 and 1925 to 1935	9
Table	7.	Outcome of Disputes Handled under the Act, by Nature of Dispute, April 1, 1925, to March 31, 1935	33
Table	8.	Method of Appointing Chairmen of Boards Constituted, by Periods, 1907 to 1918 and 1918 to 1935	37
Table	9.	Party Affiliations and Professions of Ministers of Labour, 1907 to 1935	38
Table	10.	Extent of Agreement among Members of Boards, by Periods, 1907 to 1918 and 1918 to 1935	38
Table	11.	Time Elapsing between Application for and Report by Boards, by Periods, 1907 to 1918, 1918 to 1935, and 1925 to 1935	39
Table	12.	Application for Boards, by Origin of Application, and by Periods, 1907 to 1925 and 1925 to 1935	39
Table	13.	Time Elapsing between Application for and Report by Boards, by Years, 1927 to 1934	40

ACKNOWLEDGMENT

The first draft of this study has been submitted to Mr. Tom Moore, president of the Trades and Labour Congress of Canada, to Mr. E. Blake Robertson of the Canadian Manufacturers' Association, and to officials of the Canadian Department of Labour. To them, and to Dean Wallace B. Donham and Professor Sumner H. Slichter of the Harvard Graduate School of Business Administration, who also read the manuscript, and to Professor Nathan Isaacs, who read the last chapter, the author expresses his appreciation for helpful criticism and suggestions. Final responsibility for presentation and interpretation of data rests, of course, with the author.

Figures for all the tables presented in this study have been compiled from the *Annual Reports* of the Department of Labour and the reports of "Recent Proceedings under the Industrial Disputes Investigation Act" and of "Strikes and Lockouts in Canada" published in the monthly issues of *The Labour Gazette* for the period of operation of the Disputes Act.

B. M. SELEKMAN

March, 1936

said employer) that the necessary authority to declare such lockout or strike has been obtained; or, where a dispute directly affects employees in more than one province and such employees are members of a trade union having a general committee authorized to carry on negotiations in disputes between employers and employees and so recognized by the employer, a statutory declaration by the chairman or president and by the secretary of such committee setting forth that, failing an adjustment of the dispute or a reference thereof by the Minister to a Board, to the best of the knowledge and belief of the declarants a strike will be declared, that the dispute has been the subject of negotiations between the committee of the employees and the employer, or that it has been impossible to secure conference or to enter into negotiations, that all efforts to obtain a satisfactory settlement have failed, and that there is no reasonable hope of securing a settlement by further effort or negotiations". (15-16 George V, 1925, Chap. 14.)

- 3. The application may mention the name of a person who is willing and ready and desires to act as a member of the Board representing the party or parties making the application.
 - The application and the declaration accompanying it—
 - (1) if made by an employer, an incorporated company or corporation, shall be signed by some one of its duly authorized managers or other principal executive officers;
 - (2) if made by an employer other than an incorporated company or corporation, shall be signed by the employer himself in case he is an individual, or a majority of the partners or members in case of a partnership, firm or association;
 - (3) if made by employees, members of a trade union, shall be signed by two of its officers duly authorized by a majority vote of the members of the union, or by a vote taken by ballot of the members of the union present at a meeting called on not less than three days' notice for the purpose of discussing the question;

[Paragraph (3) was amended in 1910 by adding the following:]

"or, where a dispute directly affects employees in more than one province and such employees are members of a trade union having a general committee authorized to carry on negotiations in disputes between employers and employees, and so recognized by the employer, may be signed by the chairman or president and by the secretary of the said committee". (9-10 Edward VII, 1910, Chap. 29.)

> (4) if made by employees some or all of whom are not members of a trade union, shall be signed by two of their number duly authorized by a majority vote taken by ballot of the employees present at a meeting called on not less than three days' notice for the purpose of discussing the question.

[Section 16 was repealed in 1920 and the following substituted therefor:]

- "16. (1) The application and the declaration accompanying it shall be signed, if made—
 - "(a) by an employer who is an individual, by the employer himself;
 - "(b) by an employer which is a partnership, firm or association, by a majority of the partners or members;
 - "(c) by an employer which is an incorporated company or corporation, by some one of its duly authorized managers or by one or more of the principal executive officers;
 - "(d) by employees who are members of a trade union, by two of its officers authorized in writing by a majority of the union members affected. If such authorization is obtained by a vote taken in whole or in part at a meeting, such meeting shall be called on not less than three days' notice and the vote shall be by ballot. Where a dispute directly affects employees in more than one province and such employees are members of a trade union having a general committee authorized to carry on negotiations in disputes between employers and employees, and so recognized by the employer, may be signed by the chairman or president and by the secretary of the said committee;
 - "(e) by employees some or all of whom are not members of a trade union, by two of their number authorized in writing by a majority of such employees. If such authorization is obtained in whole or in part by a vote at a meeting, such meeting shall be called on not less than three days' notice and the vote shall be by ballot.
- "(2) If more than one employer, or more than one trade union, or the employees of more than one employer, is or are interested, then and in such case the application and declaration shall be signed in the