

PORT LABOUR INQUIRY

REPORT

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MINISTRY OF LABOUR

PORT LABOUR INQUIRY  
REPORT



LONDON:

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MINISTRY OF LABOUR.

PORT LABOUR INQUIRY.

*Terms of Reference.*

“ To enquire into employment and unemployment in the port transport services in Great Britain and to make recommendations thereon, with special reference to decasualisation and the administration of the unemployment insurance scheme in its application to port transport workers.”

*Membership of the Committee.*

The Right Hon. Sir Donald Maclean, K.B.E., LL.D., M.P.  
(Chairman).

Mr. Ernest Bevin.

Sir Alfred Booth, Bart.

Mr. T. W. Condon.

Mr. Charles Cullen.

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Mr. James S. Spencer.

Mr. Benjamin Tillett, M.P.

Secretary : Mr. L. G. Bullock.

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\* Resigned on 29th September, 1930.

† Appointed on 10th October, 1930.

*Note:*

The estimated cost of the preparation of this Report (including the expenses of the Committee) is £672, of which £85 represents the estimated cost of the printing and publishing of this Report.

APPENDIX III.

PORT LABOUR INQUIRY.

*Record of Registration Schemes Based on Reports from Joint Registration Committees.*

Name of Scheme and date of Establishment.	Details of administration and composition of committee.	No. of Employers.		No. of Registered men and scope of Scheme at date of return.	Rules affecting Recruitment and present position.	System of Registration, Employment Records, and arrangements for revision of register.	System of Labour Engagement.	Remarks.
		Supporting.	Not Supporting.					
1.	2.	3.	4.	5.	6.	7.	8.	9.

*Schemes assisted by the Ministry of Labour.*

Ardrossan* 18th Nov., 1924.	Joint. M/L Secretary and clerical as- sistance.	3	Nil	134 casuals.	General industrial qualification for dock work. T.U. member- ship compul- sory. No re- cruitment last year.	Book with daily employment re- cord. Revision half-yearly but very little ad- justment con- sidered neces- sary.	One central call- stand.	It is considered that the number of men is adjusted to meet the normal re- quirements. <i>Daily average of men employed</i> (1930) 93.
Ayr and Troon, March, 1925.	Joint. Six members each side. M/L Secretary and clerical as- sistance. T.U. issues books to workers after prepara- tion by Secre- tary.	6	Nil.	156 casuals. (excludes coal trimmers).	T.U. membership compulsory. Recruitment has been re- stricted to men previously em- ployed.	Book with daily employment re- cord. Revision half-yearly. Registration is cancelled in the case of poor re- cords of work, where no ex- tenuating cir- cumstances exist.	At the ship's side. (Not regarded as satisfactory and the Committee are now con- sidering im- provements).	Committee comment upon large number of elderly dockers. Over 100 are over 40 years of age, and 60 over 50 years of age. <i>Employment for first 6 months, 1930.</i> Maximum 98. Minimum 21.

Barrow, April, 1925.	Joint. 4 mem- bers each side, M/L Secretary and clerical as- sistance.	3	2 have special arrange- ments.	123 (permanent and casual).	Recruitment restricted to industrially qualified and T.U. members. No recruitment taking place.	Book with daily employment re- cord. Revision and cancellation not systematic.	Two call-stands.	Committee are allow- ing register to decrease by natural wastage as there is depression in the trade.
Barry Docks, 28th April, 1924.	Joint. 4 mem- bers each side. Employers' Secretary and M/L assist- ance. Books issued by Em- ployers and T.U. in con- sultation.	10	Nil	268 registered. 44 Supple- mentary. (excludes coal trim- mers, shore, gangs, etc.)	Recruitment from supple- mentary list. Engagement confined to T.U. members. No recruitment taking place and work is very low.	Book with daily employment re- cord. Revision half - yearly. No definite action taken to cancel in case of poor records, but records are examined and statistics com- piled.	Central call-stand.	
Bristol, June, 1916, reconsti- tuted in Feb., 1919.	Joint, with In- dependent Chairman. 5 members each side and Port Labour Ad- viser (jointly remunerated). M/L. Secre- tary and cleri- cal assistance.	100	Nil	Group A 2,788 casuals. Group B. 383 (includes casual car- ters and warehouse- men).	Preference to sons of deceased dockers. T.U. membership compulsory. Recruitment in general closed for some years, except for certain special cases.	Books with daily employment re- cord in two classes. Revision half-yearly and full statistics taken. Poor records dealt with on their merits by a Joint Sub-Com- mittee.	Avonmouth and Portishead. Central call- stands. City Docks. At ship's side with sur- plus stand. Also a Labour Ad- viser to assist both sides.	Principal difficulty is geographical which affects mobility. Committee also concerned at ago increase in register. <i>Employment Re- cord</i> (1929). Maximum 2,930 men. Minimum 533 men. Average 1,738 per day.

\* Scheme temporarily suspended on 15th December, 1930.

1.	2.	No. of Employers		5.	6.	7.	8.	9.
		Supporting.	Not Supporting.					
Cardiff and Penarth, January, 1924.	Joint. 5 members each side. Employers' Secretary and M/L clerical assistance.	60	Nil	1,572 (practically all casuals).	No special arrangements for recruitment which has been confined to issue of temporary cards for seasonal work.	Book with daily employment record. Revision half-yearly and statistics taken. Registration is cancelled in case of poor records.	Individual call-stands. Action taken only in case of shortages by issue of temporary cards. There is no provision for co-ordinating the engagement of labour but this is under active consideration.	Work records (1930). Last 6 months to April, 1930 shew 50·3 per cent. worked 50 per cent. or more of "Possible" days. 49·7 per cent. worked under 50 per cent. 21·3 per cent. worked 25 per cent. or less.
Cumberland ports (see Working-ton). Dundee, July, 1924.	Joint. 3 members each side. T.U. Secretary M/L assistance T.U. issues books.	All	Nil	466 permanent and casual.	T.U. membership compulsory. Extra men recruited for busy season and to replace cancellations.	Book with daily employment record. Revision half-yearly. Men under 30 per cent. of work have book withdrawn.	One central stand. No other facilities required.	The central stand has reduced number of men with poor records and no further decasualisation is considered possible. <i>Employment</i> Maximum 650. Minimum 100.



Fowey, 19th August, 1924.	Joint. 3 mem- bers each side. Employers' Secretary and M/L clerical assistance. Employers issue books.	7	Nil	215 registered, and 54 Supple- mentary men.	No special arr- angements. Re- cruitment from the supplemen- tary list is con- fined to re- placements when older men retire from work.	Book with half- daily employ- ment record. Revision half- yearly. Regis- tration is not cancelled in case of poor records. Employment is fairly regular.	Call-stands at G.W.R. jetties. Supply of labour usually adequate.	<i>Employment during 1927 worked out at 37.8 weeks full time per registered man. Employment during 1929, em- ployed during any one week. Maximum 345. Minimum 156.</i>
Garston, 1st October, 1925.	Joint. 1 mem- ber each side. M/L Secre- tary and clerical assist- ance.	1 L.M.S.	10 Ship- per's Agents who employ check- ers.	900 approx. (Casuals only).	Scheme confined to members of the T. and G.W. Union.	Tallies and record now kept by Em- ployment Ex- change but sta- tistics not com- piled. Provision for cancellation in case of poor record i.e., less than 60 per cent. "attendances" if no extenu- ating circum- stances.	Central call-stand.	80 of the registered workers are em- ployed on sidings about one mile from the Docks. (These are not available for work at the docks). Temporary permits issued for banana boats to unregistered men.
Goole, 25th May, 1925.	Joint. 5 em- ployers, 4 workpeople. M/L Secre- tary and clerical assistance.	5	Stev- dores and coal trim- mers.	486 casuals.	No special stip- ulations. recruitment taking place.	Book with daily employment re- cord. Revision half-yearly and men under 25 days work are reported to Committee. No statistics avail- able.	Individual call- stands for each firm. No other facilities.	Lack of facilities for engagement is under consideration.

Name of Scheme and date of Establishment.	Details of administration and composition of committee.	No. of Employers.		No. of Registered men and scope of Scheme at date of return.	Rules affecting Recruitment and present position.	System of Registration, Employment Records and arrangements for revision of register.	System of Labour Engagement.	Remarks.
		Supporting.	Not Supporting.					
1.	2.	3.	4.	5.	6.	7.	8.	9.
Grange-mouth, July, 1926.	Joint. 5 members each side. M/L Secretary and clerical assistance.	24	1	550 (permanent and casuals) (Coal trimmers, etc., excluded).	No special stipulations. All new entrants eligible for T.U. membership. Only recruitment is in replacement of wastage.	Book with 3 shift employment record. Revision half-yearly and statistics compiled but no adjustments considered necessary. Registration cancelled in case of poor records. (20 per cent).	Central call-stand.	The port is seasonal in respect of timber and for 5 to 6 months the demand exceeds the supply of registered workers.
Greenock, 2nd November, 1925.	Joint. 5 members each side. M/L Secretary and clerical assistance. Books issued by T.U.	16	Nil	355 Casuals.	Restricted to sons of deceased dockers, and re-admission, T.U. membership compulsory. Some recruiting still taking place. Register being gradually increased to 400, the number of men required to man the port in ordinary circumstances.	Book with special employment record covering ordinary hours and overtime. Statistics on hours basis quarterly. Books exchanged quarterly. No adjustments made to the register. Cancellation in case of poor records in certain cases (25 per cent.)	Recognised call-stands and employers report expected requirements to T.U. Office. These facilities are fully used.	Unregistered workers were employed for 25,462 hours during 6 months ended 28/3/30.

Grimsby and Immingham, 7th September, 1925.	Joint. Chairman (Employer) Vice-Chairman (T.U.) 9 Employers, 8 T.U. M/L Secretary and clerical assistance.	All except Fish Docks.	Nil	1,896 casuals. Two Groups.	Restricted to dockers' sons employers' nominees and some ex-service men. A little recruitment as above taking place.	Books with daily employment record in two classes. Revision half-yearly and Committee fix a minimum record for re-qualification. Work is largely seasonal.	Three call-stands of which one is centralised.	The port is largely seasonal and at the peak period all men are stated to be employed. <i>Employment Record</i> (1929).— Minimum 900. Maximum 1,700.
Hull, 1st October, 1925.	Joint. 4 members each side. M/L Secretary and clerical assistance.	252	Master Stevedores only partial.	7,804 Practically no permanent men.	Preference to sons of dockers and ex-service men. Small recruitment taking place.	Books with half-daily employment records. Statistics not complete owing to non-compliance. Books exchanged half-yearly but no cancellation in case of poor records.	At ship's side. Certain telephone facilities are available for labour distribution but not used.	
Leith, 8th March, 1926.	Joint. 4 members each side. M/L Secretary and clerical assistance. Books issued by T.U.	38	Nil	1,417 Permanent and Casuals.	Nominations by employers and trade union. No recruitment has taken place for over 2 years.	Book with daily employment record. Statistics taken but registration is not cancelled in case of poor records. Revision is merely confined to exchange of books half-yearly.	Three recognised stands at Leith and Granton Dock. Some unregistered men find employment while registered men are unemployed owing to lack of facilities.	General trade situation and unregistered labour have created difficulties for the scheme. Nearly 1,000 of the men over 40 years of age. <i>Employment</i> .— First 6 months 1929. Maximum 1,690 Minimum 430.

Name of Scheme and date of Establishment.	Details of administration and composition of committee.	No. of Employers.		No. of Registered men and scope of Scheme at date of return.	Rules affecting Recruitment and present position.	System of Registration, Employment Records and arrangements for revision of register.	System of Labour Engagement.	Remarks.
		Supporting.	Not Supporting.					
1.	2.	3.	4.	5.	6.	7.	8.	9.
Liverpool, July, 1912.	Joint. 12 members each side. Employers' Secretary and M/L assistance through Clearing Houses, etc., (also Area Committees).	52	Certain special classes.	21,500 (quota).	Preference to sons of dockers and previous tally-holders. Recruitment has only been undertaken to fill vacancies in the quota. Otherwise tallies are granted when "permanent" men are discharged.	Tallies and record on Insurance Card. Statistics available through clearing houses. U.J. contribution cards as well as record of wages are used to detect men with poor records. Registration is cancelled in case of poor record at the discretion of each Area Committee. Several complete revisions have been carried out by special arrangement.	Mostly individual call-stands with one or two central call-stands.	The lack of facilities militates against decasualisation. A reduction in the number of tally-holders is now under consideration.

<p>London, 23rd February, 1920. Re-consti- tuted, Sept., 1925.</p>	<p>Joint, 7 mem- bers each side including Joint Chair- men. M/L Secretary spe- cial office and all assistance.</p>	<p>350</p>	<p>Very few. Mostly small firms.</p>	<p>37,118 (Permanent and casual).</p>	<p>Preference to sons of dockers, em- ployers' nomi- nees and cer- tain special classes such as licensed lighter- men. Only special individ- ual cases being dealt otherwise recruitment - is closed.</p>	<p>Special registra- tion book with U.I. book at- tached. Revi- sion annually when statistics are taken. Can- cellation of reg- istration is dealt with on the basis of the U.I. contribu- tion record, the worker stating his individual record where required on a special form. Otherwise no individual em- ployment re- cord.</p>	<p>Individual and Common call- stands in var- ious parts of the port. Some steps being taken to estab- lish systems of surplus stands.</p>	<p>The size of this port presents special difficulties which preclude adoption of central call- stands.</p>
<p>Middlesboro' and Tees Ports, December, 1924.</p>	<p>Joint. Func- tions as two Joint Sub- Committee Employers' Secretary. M/L assist- ance. Books are issued by Employers.</p>	<p>25</p>	<p>4</p>	<p>1,900 (permanent and casual). Several registers are kept to sub-divide the workers and form classes.</p>	<p>Only stipulation is an age require- ment in the case of Hatchway- men. Sons of dockers are given prefer- ence when vac- ancies occur. Very little re- cruitment taking place.</p>	<p>Book with half- daily employ- ment record. Revision half- yearly and ad- justments are made on the basis of statis- tics. Inquiries are made in case of poor records. (50 per cent. for "attached" workers).</p>	<p>Individual call- stands with a central "mar- ket" in respect of the Dock. (L.N.E.R.) sub- divided into sections.</p>	<p>It is not considered that the lack of "clearing houses" militates against decasualisation and last year it is stated that even the "un- attached" regis- tered workers were fairly regularly employed.</p>

Name of Scheme and date of Establishment.	Details of administration and composition of committee.	No. of Employers		No. of Registered men and scope of Scheme at date of return.	Rules affecting Recruitment and present position.	System of Registration, Employment Records, and arrangements for revision of register.	System of Labour Engagement.	Remarks.
		Supporting.	Not Supporting.					
1.	2.	3.	4.	5.	6.	7.	8.	9.
Newport, (Mon.) 1st Oct., 1917. Revised 1926.	Joint. 4 members each side. Employers' Secretary and M/L clerical assistance. Books issued jointly.	22	1	1,011	Recruitment from boy labour. No recruitment has taken place for some time.	Registration Cards and daily employment returns from employers.	Central call-stand.	<i>Highest number employed in any 1 day during period ended 28/6/30 451. Average 199.</i>
Port Talbot, 29th July, 1924.	Joint. 4 members each side. Employers' Secretary and M/L clerical assistance. Books issued jointly.	4	1	84 Gangmen, 44 Hobblers (casuals only.)	No stipulations for recruitment. Only recruitment now taking place is in replacement of wastage.	Registration certificate and employers' returns. (Record book being adopted). Statistics last taken relate to 11 weeks period. Register revised every three months upon the basis of employment record. Registration cancelled when not following dock work regularly.	Central call-stand.	<i>Average Shifts per week (1930)— Gangmen 3.5 shifts Hobblers 2.5 shifts.</i>

Preston, 20th June, 1916. Revised.	Joint. 4 mem- bers each side. M/L Secre- tary and cler- ical assistance.	8	Nil	775 Permanent and casuals.	Physical fitness is only stipulation All new entrants eligible for T.U. membership. Recruitment stopped until October 1930.	Book with 3 space daily employ- ment record. Percentage check applied half-yearly when books are exchanged. Datum line 750 reached by was- tage. Power to cancel in case of poor records 20 per cent.	Two recognised call-stands. No other facilities appear neces- sary.	Trade Union stipu- late that all their members must be included in the register.
Southamp- ton, 1916, revised 14th August, 1925.	Joint. 5 mem- bers each side. M/L Secre- tary and cler- ical assistance.	14	Nil	2,888 Casuals (not coal porters)	Employers' re- commendations and physical fit- ness. Recruit- ment only at biennial revi- sion.	Brass tallies and record from em- ployers' returns of engagement. No statistics available. Tal- lies withdrawn at revision only.	Individual call- stands, but co- operation be- tween employ- ers where neces- sary to obviate engagement of unregistered men.	
Swansea, February, 1927.	Joint. 4 mem- bers each side. Employers' Secretary. M/L keep re- cords and give assist- ance. Books issued jointly.	All general cargo.	Nil	1,119 (first and se- cond prefer- ence men) (excludes coal trim- mers).	Recruitment into second prefer- ence. No re- cruitment tak- ing place.	Registration certi- ficates and em- ployment re- turns. (Record book being adopted). Sta- tistics show that some unregis- tered labour is employed al- though maxi- mum employed is less than No. of registered mep. No action to cancel in case of poor records.	Central call-stand.	Highest No. em- ployed during quarter ended 29-3-30 881 Average 522

Name of Scheme and date of Establishment.	Details of administration and composition of committee.	No. of Employers.		No. of Registered men and scope of Scheme at date of return.	Rules affecting Recruitment and present position.	System of Registration, Employment Records and arrangements for revision of register.	System of Labour Engagement.	Remarks.
		Supporting.	Not Supporting.					
1.	2.	3.	4.	5.	6.	7.	8.	9.
Weymouth, 1925.	Joint. 3 members each side. M/L Secretary and clerical assistance. G.W.R. issues books to men.	1 (G.W.R.)	8 small firms.	177 casuals.	Recruitment from members of T.U. only. Recruitment is confined to make-up of wastage.	Book with daily employment record. Revision half-yearly. Registration is cancelled in case of poor records (30 per cent.).	Central call-stand.	The chief difficulty is the seasonal character of the traffic which militates against closer adjustment. <i>Average employment 6 months to June, 1930. Regular casual 4½ days per week. Casual casuals 3½ days per week.</i>
Workington, (Cumberland Ports), 10th December, 1924.	Joint. 9 members each side with Joint Chairmen. M/L Secretary and clerical assistance.	All principal firms.	Nil	180 casuals.	No special stipulations. Only recruitment is in replacement.	Book with half-daily employment record. Revision half-yearly and adjustments made on the basis of statistics. Inquiries are made in case of poor records, but no fixed basis.	One call-stand at each port.	Tidal nature of the ports creates rushes of work but there is some interchange of labour between ports which obviates the engagement of unregistered labour.



Other Schemes of Registration.

Manchester, 1919.	Operated by Manchester Ship Canal Co. in consultation with Transport and General Workers' Union.	1	Nil	3,000 (excludes weekly supervisory grades).	T.U. membership compulsory except for temporary registration.	Number cards and T.U. membership cards. No fixed revision and cancellation only when absent from calls for 8 consecutive weeks. Full statistics kept by Canal Company.	Centralised stands. call.	Work record (1929) in any one day. Maximum ... 3,087 Minimum ... 1,430
Plymouth, January, 1923.	Joint. 5 Employers, 3 Trade Union. No official assistance given. Employers' Secretary.	Practically all employers.	—	550 and supplementary list.	No special stipulations. Recruitment is from supplementary list.	Book with half-daily employment record. Registration cancelled for poor records in extreme cases. Register revised half-yearly.	At wharves. No centralised stands.	Seasonal work affects adjustment of registers.
Gloucester and Sharpness.	Two Joint Sub-Committees. No official assistance. Joint Secretaries.	All except Timber Importers.	Nil	Grade I. Sharpness 280 Gloucester 70.  Grade II. 30 Total 380.	Nomination by Trade Union but no occasion for recruitment.	Cards subject to half-yearly re-issue and exchanged by the Union on lists agreed jointly. Temporary permits to deal with seasonal Timber Work.	Individual stands. call.	Centralisation under consideration for Sharpness.

Name of Scheme and date of Establishment.	Details of administration and composition of committee.	No. of Employers.		No. of Registered men and scope of Scheme at date of return.	Rules affecting Recruitment and present position.	System of Registration, Employment Records and arrangements for revision of register.	System of Labour Engagement.	Remarks.
		Supporting,	Not Supporting.					
1.	2.	3.	4.	5.	6.	7.	8.	9.
Ipswich	Operated by Port Employers without consultation.	—	—	About 250.		(no details).		
Harwich. Newhaven	L.N.E.R. Southern Railway	men are registered with the Company.						

## APPENDIX IV.

## PORT LABOUR INQUIRY.

*Information and Statistics received regarding the receipt of Unemployment Benefit by better paid casual workers (see para. 87 of the Report).*

The large majority of witnesses from the various ports in the country have stated, in giving evidence, that a certain proportion of port transport workers, obtaining comparatively large earnings during casual employment legally claim Unemployment benefit. Witnesses have produced particulars of individual cases either as specially selected examples or as samples regarded as representative of the whole. These cases show either that the men draw wages as well as benefit in the same week or that over a period the total income was derived from both, though not necessarily in the same weeks. Each port which produced such statistics did so largely on its own initiative and in the form it considered most suitable. The information in possession of the Inquiry, therefore, cannot be collated to give a representative picture of practice in the industry as a whole. It is apparent that the experience in the various ports differs materially in this matter, as they are governed to some extent by the particular wage system and method of work in operation. The following information is based upon data which, with the exception of Liverpool and London, have been agreed by the employers' and workpeople's representatives in each port.

*Bristol.*

Detailed particulars and summary covering 146 Port Workers for the period from 4th November, 1929, to 1st March, 1930. These cases are stated to be representative of a larger number.

The following weekly averages are quoted for all the cases given:—

									£	s.	d.
Wages	...	...	...	...	...	...	...	...	3	16	10
Unemployment benefit	...	...	...	...	...	...	...	...	0	6	5
Total income	...	...	...	...	...	...	...	...	4	3	3

The summary also shows the total wage and benefit payments and also Unemployment Insurance contributions.

*Cardiff (Dockers).*

Particulars of the total wages and benefit received during a period of 35 weeks ended 31st August, 1930, by 129 port workers. The cases were selected as a 10 per cent. sample of the whole of the registered workers (casual).

The weekly averages for the cases over the period taken are:—

									£	s.	d.
Wages	...	...	...	...	...	...	...	...	2	4	9
Unemployment benefit	...	...	...	...	...	...	...	...	0	12	8
Total income	...	...	...	...	...	...	...	...	£2	17	5

*Cardiff (Coal Trimmers).*

In view of the Wage Pooling Scheme it may be said that all coal trimmers on the average obtain the same amount of wages.

Particulars produced in respect of four weeks ended 3rd October, 1930, for the 1,374 workers who shared in the wages produce the following averages:—

	£	s.	d.
Wages ... ..	4	9	10
Unemployment benefit ... ..	0	5	6
Total income ... ..	£4	15	4

Information in respect of previous and subsequent weeks showed that the above is fairly representative experience in connection with this scheme.

The average weekly wage for the year 1929 was £4 19s. 2d.

*Garston.*

Particulars of the amounts of wages and benefit received during varying periods of eight consecutive weeks by 26 port workers whose cases were selected for test at random.

Owing to the differences in the periods taken in each case, an average for the whole of the cases cannot be strictly accurate.

As a rough indication of the general result, however, the weekly averages may be quoted as follows:—

	£	s.	d.
Wages ... ..	4	13	3
Unemployment benefit ... ..	0	5	0
Total income ... ..	£4	18	3

*Liverpool.*

Information in respect of this port was contained in the Report of an Inquiry instituted by the Lord Mayor of Liverpool into Casual Labour in the Merseyside Area.

This Report contains Tables which give the results of a one in twenty-five sample. A copy of one table is attached (Schedule I).

*London.*

Particulars were furnished of a number of cases selected to show examples of claims for benefit known to have been made by men drawing high wages. These cases must be taken to be isolated in view of the method of selection. Having regard to the size of this port it is not considered practicable to obtain more representative details.

*Manchester.*

Two statements were submitted giving individual examples covering periods of four weeks in 1930, in which workers had drawn during the same weeks.

(a) Wages and Unemployment Benefit, and

(b) Wages, Compensation and Unemployment Benefit.

The statements gave 16 and 17 cases respectively, but it is claimed that they are representative of a larger number and that the period taken was normal.

*Middlesbrough (Tees Wharves).*

Particulars of seven cases are given which were selected at random and covering varying periods. The highest case showed the following weekly averages:—

Wages	...	...	...	...	...	...	...	...	£	s.	d.
Unemployment benefit	...	...	...	...	...	...	...	...	0	15	9
Total income									£4	9	5

The lowest case showed:—

Wages	...	...	...	...	...	...	...	...	£	s.	d.
Unemployment benefit	...	...	...	...	...	...	...	...	0	11	8
Total income									£1	13	3

It was also stated at this port that the average weekly wages paid during the 12 months ended 31st March, 1930, for all casual port workers registered at the Tees Wharves was as follows:—

Above 40 per cent. of possible engagements	588 men	£	s.	d.
40 per cent. and less of possible engagements	157 men	3	19	1
		1	15	8
Average for ...	745 men	£3	9	10

The above figures do not include any earnings which the men may have obtained at Middlesbrough Dock. Separate figures for Unemployment Benefit are not available, but it may be stated that the total benefit paid in respect of all registered dock workers at Middlesbrough (1,833) during the year 1929 was £9,827; the average weekly payments being 253 in number and the average payment 15s.

*Newport (Mon.).*

Particulars of the total wages and benefit received during a period of 27 weeks by 49 port workers. The cases were selected as a 5 per cent. sample of the whole of the registered workers (casual).

The weekly averages for the cases over the period taken are:—

Wages	...	...	...	...	...	...	...	...	£	s.	d.
Unemployment benefit	...	...	...	...	...	...	...	...	2	13	3
									0	10	9
Total income									£3	4	0

*Port Talbot.*

Particulars of the total wages and benefit received during a period of 26 weeks by 11 port workers selected at random.

The weekly averages for the cases over the period taken are:—

Wages	...	...	...	...	...	...	...	...	£	s.	d.
Unemployment benefit	...	...	...	...	...	...	...	...	5	9	1
									0	7	0
Total income									£5	16	1

## Swansea.

Particulars of the total wages and benefit received during a period of eight weeks by 58 port workers. The cases were selected as a 5 per cent. sample of the whole of the registered dockers (casual).

The weekly averages for the cases over the period taken are:—

	£	s.	d.
Wages ... ..	2	18	5
Unemployment benefit ... ..	0	6	11
<b>Total income ... ..</b>	<b>£3</b>	<b>5</b>	<b>4</b>

## Schedule 1.

TABLE XXIV.\*—One in Twenty-five Sample.

Amount of Wages received by selected Tally Holders at Liverpool during quarter ended 28th March, 1930, related to amount of Unemployment Insurance Benefit received.

Amount of Wages received in Quarter ended 28/3/30.		Amount of Unemployment Insurance Benefit payable during Quarter ended 26/3/30.						
Amount earned.	Total.	Nil.	Up to £3.	Over £3 up to £6	£6-£9.	£9-£12.	£12-£15	Over £15.
Nil ... ..	105	70	14	4	11	—	4	2
Up to £12 ...	164	24	15	20	34	33	26	12
Over £12-£24	173	27	9	35	51	34	15	2
Over £24-£36	172	31	21	56	43	16	5	—
Over £36-£48	138	73	27	30	6	—	2	—
Over £48 ...	74	63	1	9	1	—	—	—
<b>Total ...</b>	<b>826</b>	<b>288</b>	<b>87</b>	<b>154</b>	<b>146</b>	<b>83</b>	<b>52</b>	<b>16</b>

\* Report of Enquiry into Casual Labour in the Merseyside Area. Page 92.

## APPENDIX V.

MAINTENANCE AND PENSIONS SCHEME FOR DOCK WORKERS SUBMITTED BY THE  
'TRANSPORT AND GENERAL WORKERS' UNION.

*Report by the Government Actuary.*

The Secretary,  
Ministry of Labour.

SIR,

1. In compliance with the request conveyed in Mr. Bowers' letter of 13th ultimo (E.T. 8094/1930) I have examined the scheme for Maintenance and Pensions for Dock Workers submitted by the Transport and General Workers' Union to the Committee appointed by the Minister of Labour to enquire into employment and unemployment in the port transport service in Great Britain.

2. It is proposed that, in substitution for the present insurance under the Unemployment Insurance Acts, workers in the industry shall be entitled, under a separate and self-contained scheme, to a weekly allowance of the difference between wages earned and 50s. a week. In addition retirement from the industry at age 65 is to be compulsory and the worker is to be entitled to a pension of 25s. per week provided he has served 15 years in the industry and ceases to be a wage-earner. This provision is to be subject to modification during the first five years of the currency of the scheme.

3. The data available will not provide a basis for more than a broad indication of the probable cost of the scheme. Their principal defect is that, except in the case of Liverpool, there is no detailed information as to the wages earned by the workers. The information furnished in respect of that port includes for each week of the year 1930 the number of registered workers receiving no wages and those earning up to 24s. per week, from 24s. to 36s. per week, etc. From these particulars it has been possible to estimate for each of these groups of workers the corresponding days of unemployment. The accuracy of this estimate has been tested by comparison of the resulting number of benefit payments and amount of benefit with those actually paid. In the case of London, the data consist of a sample of approximately 10 per cent. of the registered workers and comprise particulars of the days of unemployment, and it has been necessary to make certain assumptions as to the corresponding wages earned based on the limited information available. For the remainder of the ports in respect of which particulars have been furnished, the data consist merely of the total number of insured persons and the amount of unemployment benefit paid in the six months May to October, 1930. An examination of these particulars indicates that the rate of unemployment at these ports is somewhat in excess of that obtaining at London and effect has been given to this feature in the estimates.

4. My calculations indicate that, on the present volume of unemployment in the industry, and on the present incidence of its distribution between individuals, the Union's estimate of £3,900,000 as the yearly cost of maintenance benefits under the scheme is not unreasonable. For the purpose of my subsequent calculations I have accordingly adopted this estimate. I am, however, compelled to point out that, in practice, the change from a scheme under which benefit is dependent simply on days of unemployment to one wherein the basic factor determining the benefit is the wages earned, may produce wide variations in the distribution of employment, and that an estimate based on present conditions may be substantially exceeded especially if the present volume of labour remains attached to the industry.

While no measure can be placed on the variation of cost which is likely to arise from this cause the point is one to be kept in mind.

5. The estimated number of workers to be included in the scheme is 150,000 and a yearly charge of £3,900,000 for maintenance benefit therefore requires a contribution of £26 a year for each worker. The ordinary unemployment contribution of 1s. 10½d. a week, suspended wholly or partly in periods of unemployment and sickness, is equivalent to about £4 7s. 0d. a year. Further contributions to the extent of, say, £21 13s. 0d. per worker per year would therefore be required. In effect the scheme provides that these contributions shall be provided by the Exchequer, the bulk of the resulting charge being met by special duties on Imports and Exports and by a *per capita* tax on passengers entering and leaving the country.

6. As regards the proposed retirement pension, an estimate has been made of the cost in certain future years on the assumption that the scheme begins on 1st January, 1932, and that in the first five years, as proposed, workers will be compulsorily retired on a graduated scale as to age, i.e., as and when they reach age 70 or over (in 1932), age 69 (in 1933), and so on to age 66 in 1936; from 1937 onwards it is assumed that the permanent condition will apply and that retirement will take place at age 65. The grant of pension at age 65 is to be subject to the completion of 15 years of consecutive service in the industry, reduced in the first five years of the scheme by a graduating rule to 10 years at age 70 or over in 1932, but it has been assumed for practical convenience that all those reaching the qualifying age will thereupon be entitled to pension under the rule as to years of service. The resulting over-estimate of the cost of pensions is probably very slight.

7. On this basis it is estimated that in the first year (1932) the annual cost of pensions will exceed £200,000; by the third year (1934) it will have been more than doubled; and by the sixth year (1936) it will have been at least quadrupled. After ten years (in 1942) the cost will approach £1,250,000 and thereafter it will increase slowly.

8. It is noted that the scheme appears to contemplate investing the governing body with power to make special arrangements for pensioning workers who became incapacitated but since no details are given it is impossible to estimate the additional cost involved. If the special arrangements provided for the definite retirement of workers who became incapacitated before the normal pension age it is probable that the pension charge would be substantially increased.

9. The continuous rise in the pensions cost over a long period is due to the fact that, whereas at the outset the number of pensioners would comprise only such persons over 70 as were still engaged in the industry at those ages, in due course the pensioners would consist of all the survivors ~~from age 65~~ to the end of life of persons who had been engaged in the industry at age 65 and for 15 years before attaining this age.

10. In estimating the contribution necessary to support the pension it is assumed that entry to the industry after the initiation of the scheme would take place at the age of 18. I refer later to the probable effects of departure from this condition. In the absence of information on the subject it has been assumed that withdrawals from the industry would be negligible. Whatever may have been the position in this respect in the past it is highly probable that under the operation of a scheme providing practically a guaranteed minimum wage of 50s. a week during working life with a pension of 25s. a week at 65 the number of withdrawals would in fact be negligible. In any case the liability cannot be regarded, on balance, as overstated since in the circumstances indicated in paragraph 8 above no provision has been made for the additional charge that would arise from



the grant of pensions or allowances in cases of incapacity before age 65. The contribution so estimated on a 4 per cent. interest basis, and assuming rates of mortality such as are experienced by dock workers, is £2 a year.

11. It has been assumed that this contribution would be paid in respect of the workers at present in the industry. These are of all ages from 18 upwards and many, obviously, have entered the industry at ages much in excess of 18. It follows that the produce of a contribution of £2 a year would of itself be quite insufficient to support the pensions to the existing body. I estimate the future pensions to be of the "present value" of £24,300,000 and the contribution of £300,000 a year to be of the "present value" of £3,300,000. The difference between these sums, namely £21,000,000, represents the fund which ought to be provided at the beginning of the scheme or the equivalent in present value of the further annual sums to be provided (hereinafter called the "deficiency charge") in order to place the scheme on a sound basis.

12. The source of the further income required by the scheme, as contemplated by its authors, is evidently the Exchequer. A charge to meet present liabilities cannot well be spread out in perpetuity; the usual course in such cases, e.g., in the provision made by local authorities for "back-service" on the establishment of Superannuation Funds for their staffs, is to spread the charge evenly over a series of years. In the present case if the liability were spread over 20 years the annual charge for this period would be £1,500,000. If spread over 30 years it would be £1,200,000.

13. The following is a summary of the annual charges falling on the Exchequer under the scheme, in addition to the normal Exchequer contribution for unemployment benefit, which may be taken at about £200,000:—

				£
In respect of "maintenance" benefit,				
150,000 x £21 13s. 0d. a year, say	...	...	...	3,250,000
In respect of Pensions,				
Ordinary Contributions, 150,000 x £2	...	...	...	300,000
Deficiency Charge, for 20 years	...	...	...	1,500,000
Total				£5,050,000

After 20 years the charge would fall to £3,550,000 a year. Alternatively, if the deficiency charge were spread over 30 years the total annual charge for that period would be £4,750,000, also falling, after 30 years, to £3,550,000 a year.

14. None of the foregoing estimates provide for the cost of administering the scheme. The authors apparently contemplate that the whole cost of administration would fall upon the Exchequer. In view of the complication of the scheme, especially with reference to maintenance benefit, this cost would be considerable, and I assume it to amount to £250,000 a year. The aggregate Exchequer subvention with a deficiency charge extending over 20 years would thus be £5,300,000 a year, or with 30 years for the deficiency charge, £5,000,000 a year.

15. As stated in paragraph 4, the foregoing estimates include provision for unemployment on its present level, while it is indicated that the scheme itself might have such effects upon the distribution of the available work as to produce a material increase in the charge. On the other hand, it must be recognised that a substantial improvement in trade, resulting in a decrease of unemployment, would operate in the contrary direction. What might be the net effect of a considerable reduction in the volume of unemployment in the industry, combined with such a tendency to divide the workers into "fully employed" and "unemployed" as the scheme might be expected to produce, it is impossible to estimate.

16. There remains an element of potential addition to the charge which would certainly need attention should the scheme be put into force. It has been assumed for the purpose of the estimates that all future entrants to the industry would be taken in at the age of 18. It is, however, clear that in the past a large proportion of the entrants have come in at ages 20 to 45, and if this should continue, the suggested Exchequer contribution of £2 a year in respect of pensions would on the average be much too low for future recruits. I am not in a position to estimate the extra liability that would arise under this head, but it cannot be regarded as unimportant.

17. It is observed that the authors of the scheme propose specifically that the pension of 25s. a week is to be additional to any amount to which the recipients may be entitled under State or other pension schemes. This proposal seems to call for consideration. Under the Act of 1925 the dock worker, like any other wage earner, is entitled to a pension of 10s. a week at 65 and his wife, when she also is 65, is entitled to the same amount. Although these pensions are "contributory" the greater part of the cost of providing them is borne by the Exchequer. With the addition of the benefits under the scheme the married docker of 65 and upwards would be entitled in the normal case to a pension of £2 5s. a week or 90 per cent. of his guaranteed wage under the scheme when at work, this pension being provided, to an overwhelming extent, from public funds.

18. I have examined the Revenue Account for the first year of the scheme submitted by the Transport and General Workers' Union. I do not propose to comment at length upon this statement. So far as Pensions are concerned it obviously conveys a very inadequate view of the ultimate position. Even so, it contemplates an Exchequer charge of over £5,000,000 a year for the benefit of one industry covering but one-sixtieth part of the total number of male workers insured against unemployment. It is not to be supposed that other workers would submit to such a measure of preferential assistance to the Docks Industry. The application of such a scheme to the whole of the male industrial community, assuming that the general rate of unemployment is less than one-half of that of dock workers and that women could be left out of consideration, would involve a charge on the State (on the present volume of unemployment) in the region of £150,000,000 a year.

19. In regard to the proposal to assess a levy on imports and exports and a tax on passengers to or from the ports, while I see no reason to doubt the estimates, I presume that the Committee would not desire me to comment at length upon a proposition that the receipts from particular taxes (and taxes of a highly controversial character) should be earmarked to finance a scheme for benefits for a specific industry. A proposition that the workmen who handle goods and commodities on their arrival in, or departure from, the country have some special claim upon them (to the exclusion presumably of those engaged in their transport, in their manipulation and in their ultimate distribution) obviously raises questions of public policy of the highest importance.

I am, Sir,

Your obedient Servant,

(Signed) ALFRED W. WATSON.

Government Actuary's Department,  
Treasury Chambers,  
Whitehall,  
S.W.1.

19th March, 1931.