

WAGES OF MEN & WOMEN: SHOULD THEY BE EQUAL ? .

By Mrs. SIDNEY WEBB.



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INTRODUCTION.

THE War Cabinet Committee on Women in Industry arose out of an Award by the Committee on Production, in August, 1918, of an advance of wages to the women engaged in the Tramway and Omnibus undertakings equivalent to the advance that they had previously given to men. In forwarding this Award to the Ministry of Labour the Committee reported that the claim of women to equal remuneration with men, if adopted and established, must apply not only to women employed on tramways and motor omnibuses, but to women employed in many other industries. "Such a principle," the Committee stated, "can only be decided on a national basis, after full, comprehensive and detailed investigation, with due regard to the far-reaching financial and economic considerations involved and after hearing all interests that would be affected, including those women (if any) engaged in other industries whose interests might be considered by them to be affected. The Committee therefore recommend that the whole question of women's wages and advances should be made the subject of a special inquiry, in which women can take part, and at which all the facts and circumstances which must be taken into account before any general guiding principle can be safely or properly formulated may be fully investigated and considered."

The War Cabinet, after considering the representation of the Ministry of Munitions that any such policy of equality between men and women would lead to an unwarranted increase in national expenditure, appointed a Committee "to investigate and report on the relation which should be maintained between the wages of women and men having regard to the interests of both as well as to the value of their work. The recommendations should have in view the necessity of output during the war, and the progress and well-being of industry in the future."

Meanwhile, a more concrete issue had been raised by the representatives of Labour. Throughout the Trade Union world it was being asserted that effect had not been given to the Government pledge (contained in a memorandum on Acceleration of Output on Government Work, dated the 19th March, 1915, known as the Treasury Agreement) that all women who should be put to do the work hitherto done by men should receive the same pay as the men whose work they undertook.

After much agitation in the country, and some questions in the House of Commons, the reference to the War Cabinet Committee on Women in Industry was extended, and it was directed to report whether or not the pledge in respect of women's wages, alleged to have been given by the Government in 1915, had been carried out by the Public Departments concerned.

The Committee appointed by the Prime Minister on the 1st September, 1918, consisted of:—

Sir James Richard Atkin, Kt. (Chairman),
 Miss J. M. Campbell, M.D.,
 Sir Lynden Livingstone Macassey, K.C., K.B.E.,
 Sir William W. Mackenzie, K.C., K.B.E.,
 Lt.-Col. The Rt. Hon. Sir Matthew Nathan, G.C.M.G.,
 and
 Mrs. Sidney Webb.

Sir Matthew Nathan acted as Secretary, and Mr. J. C. Stobart as Assistant Secretary.*

The Committee took evidence not only from the representatives of Government Departments, Employers' Associations, and Trade Unions, but also from Professional Economists and Philanthropists. The recommendations of the Majority of the Committee on the main issue—the relation that should prevail in future between men's and women's wages—are given in Appendix I. These detailed recommendations are, in my opinion, based on wrong principles, but in some respects they show a distinct advance on any conclusions arrived at by former Government Commissions or Committees of Enquiry. With regard to the Government Pledge, the five members decided, in effect, that the Treasury Agreement of March, 1915, contained no pledge with regard to the wages of women employed on work previously done by men. I came to the contrary conclusion, namely that the Government had given a specific pledge, and that the Departments had subsequently broken it. As this question is now a past issue (the pledge relating only to work done during the war), I have not reproduced from the Report the elaborate argument which led up to my conclusions, but the conclusions themselves will be found in Appendix II.†

* Mr. J. L. Hammond, of the Ministry of Reconstruction, was added to the Committee on the 15th of October, but resigned from the Committee on the 19th of November, in order to become the correspondent of the *Manchester Guardian* during the Peace Conference.

† The Report forms a volume of 341 pages, and is published by the Stationery Office as (Cmd. 135) "Report of the War Cabinet Committee on Women in Industry."

The reader of the following pages should bear in mind that the character of the reference precluded any discussion of a new system of industrial organisation. What had to be determined by the Committee were the principles which should govern the relation between men's and women's wages under the existing wage-system, whether carried on by private firms, public companies, or Government and Municipal Departments. But, in spite of this limitation, I found it impracticable to omit certain considerations arising out of the present transitional stage between capitalist profit-making and public ownership and management. The present inequality between men's and women's earnings—an inequality without any relation to their respective efforts and sacrifices—is only part of a larger question, the inequality between the incomes of those who live by owning and organising the instruments of production, and the incomes of those who live by using these instruments. Hence, in the last of my recommendations, I ask for an enquiry not only into the inequalities between occupational rates whether for manual workers or brain workers, as compared with the relative efforts and needs of the persons concerned, but also into all personal incomes, including those which the Commissioners of Inland Revenue class as "unearned." And I make the suggestion that the nation's maximum productivity will not be secured until it is demonstrated that the entire net product is being distributed, with due regard to relative efforts and needs, in such a way as to confer the utmost benefit upon the community as a whole, and therefore upon each class within it.

The other problem touched on in the Minority Report is the difficulty, under a system of Standard Occupational Rates, of dealing with persons who are habitually regarded as "workshy," and are habitually outside steady employment. This accusation of being wilful malingerers, so lightly levelled against large bodies of manual workers, has been largely refuted by the experience of the war, the vast majority of the pre-war "vagrants" having promptly disappeared from "the road"—presumably finding service either in the army or in the war industries. But we must admit that there may always be some persons who are eager to live without working at the expense of other people. I fear, indeed, that the dislocation of industry brought about by the war, and the weakening of "the will to work" by the hardship and terrors of the trenches, will presently cause the re-appearance of the habitual vagrant. I was precluded by the reference to the Committee from dealing at any length with the question of the presumed "unemployable." But I have pointed out that the

difficulty of adopting any statesmanlike method of treatment for those who sponge unfairly on public relief lies in the fact that we do not, as yet, make it incumbent upon every person to engage in a productive occupation. To quote the words of my Report: "I draw attention to this point, because I feel that it will be impossible to adopt proper measures of treatment of 'the workshy' until the community makes it a matter of legal obligation that every adult not mentally or physically disqualified should, irrespective of means, be engaged in 'work of national importance'—the sanction being the obvious one of withdrawing, after due warning, the income which makes it possible for such persons to live on the labour of others."

BEATRICE WEBB.

41, Grosvenor Road,
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June, 1919.

THE WAGES OF MEN AND WOMEN: SHOULD THEY BE EQUAL?

I regret that I am unable to agree with the Majority Report, either in its scope and substance, or in its conclusions and recommendations. It takes the form of a survey of the conditions upon which women have come into the modern industrial system, leading up to an elaborate statement of the terms on which women, as a class, should be allowed to remain there. I appreciate the value of the lucid summary of the evidence given before the Committee, although I do not always agree with the resulting statements as to what are the facts about women in industry, or with some of the conclusions drawn from these facts. But I take another view of the reference to the Committee. What the Committee was charged to investigate and to report upon was not the wages and other conditions of employment of women, any more than the wages and other conditions of employment of men—still less the terms upon which either men or women should be permitted to remain in industry, but “the relation which should be maintained” between them, “having regard to the interests of both, as well as to the value of their work . . . and the progress and well-being of industry in the future.” The reference carefully avoids, in its terms, any implication of inequality. To concentrate the whole attention of the readers of the Report upon the employment of women, past, present and future, and upon their physiological and social needs, without any corresponding survey of the employment of men, and of their physiological and social needs, is to assume, perhaps inadvertently, that industry is normally a function of the male, and that women, like non-adults, are only to be permitted to work for wages at special hours, for special rates of wages, under special supervision and subject to special restrictions by the Legislature. I cannot accept this assumption. It seems to me that the Committee is called upon, in its consideration of the relation which should be maintained between the wages of women and those of men, to deal equally with both sexes. Hence, in the following report I have assumed that our task is to examine the principles upon which wages and other conditions of employment have hitherto been determined, with a view to deciding whether these principles affect differently men and women; whether such difference is justifiable in the interests of both of them, and of the progress and well-being of industry; and whether any new principle is called for on which the relation between them can be based.

CHAPTER I.

THE PRINCIPLES ON WHICH WAGES HAVE
HITHERTO BEEN DETERMINED.

THE PRINCIPLE OF INDIVIDUAL BARGAINING.

The dominant method of determining wages during the first half of the nineteenth century can only be described as the principle of having no principle at all with regard to wages, either for men or for women, but leaving the whole thing to the "higgling of the market," to be settled, case by case, by individual bargaining according to "supply and demand." Labour was, in fact, a commodity, to be bought and sold in a free market, like any other commodity. It is a mistake to imagine this "principle of no principle" has been completely given up, or that, in the world of industry, it has ceased to prevail.* In spite of the spread of economic

* Buying in the cheapest market is even to-day the principle with many employers. "All he [the manufacturer] troubles about," we are told by the Managing Director of the Dudley National Projectile Factory, "is how much he can get out of that person; he does not trouble whether it is a man or a woman. The second consideration is the question of cost; how cheap can I get it done for? And probably the last thing is the question of either the male or the female operative's health."—(The Shorthand Notes of Evidence before the War Cabinet Committee, 28.10.18, p. 41.) "There was no pre-war standard of women's wages," states a light leather manufacturer; "each employer paid pretty much as he chose, or as the women demanded."—(*Ibid.*, 2.12.18.) The National Laundry Workers' Union of Edinburgh state that in their industry, in which 93 per cent. of the workers are women, pre-war wages were from "4s. to 14s. per week of 60 hours. . . . There was no recognised scale of wage before the war. As there was always a surplus of that kind of labour, the employer reaped a great advantage, and the wages were regulated according to the employers' opinions."—(Memorandum by the National Laundry Workers' Union, Edinburgh, 1918, War Cabinet Committee, Memo. 118, p. 1.) The following cross-examination of the Managing Director of the Dudley National Projectile Factory describes the conditions prevalent in the Midlands:—"Q. Before the war I think you said at any moment you would get 10,000 women in Birmingham to work at 8s. a week?—A. Yes; the rate prior to what was known as the Great Black Country Strike in the end of 1913 was 12s. a week for a female of 21 years of age, and it worked down as low as pretty well 2s. 6d. in some of the cheaper industries, a week, to girls from 14, 15 and upwards."—Shorthand Notes of the Evidence before the War Cabinet Committee, 28.10.18, p. 43.) Similar evidence is given by the representative of the National Union of Millers, who states that in 1913: "Each employer was almost a law unto himself. But I can say they were very poorly paid. I had a case some time back of a woman working in one of the Midland districts. She told me she had been working there some years. I asked her what wages she got, and she told me she averaged for something like 10 hours a day 10s. 6d. a week." The men's wages were on "a very low scale. I think that everyone recognises where any particular industry is not organised the conditions are awfully shocking."—(*Ibid.*, 3.12.18, pp. 47-8.)

knowledge, during the last half century the principle of having no principle still lies in the background in the minds of many people thinking themselves educated; and right down to the outbreak of war it may be said to have governed the wages, not only of a majority of the women employed in British industry, but also of millions of the men. But experience has demonstrated, to the satisfaction of public opinion, as well as of the economists, that to leave the determination of wages, in a capitalist organisation of industry, to the unfettered operation of "individual bargaining" and the "higgling of the market" between individual employers and individual wage-earners, is to produce, in the community, a large area of "sweating"—defined by the House of Lords Committee of 1890 as "earnings barely sufficient to sustain existence; hours of labour such as to make the lives of the workers periods of almost ceaseless toil, hard and unlovely to the last degree; sanitary conditions injurious to the health of the persons employed and dangerous to the public." For reasons into which it is unnecessary here to enter, the "higgling of the market," operating through individual bargaining, dominated down to the war the wages of women to a much greater extent than it did the wages of men. It must, in fact, be counted as the most potent factor prior to the war in making the statistical average of the net earnings of adult women in British industry (after deductions for lost time, etc.) probably less than £30 per annum, descending often as low, for an adult woman, as "a shilling a day," a sum manifestly insufficient for continuous full maintenance in health and efficiency. But it dominated also the wages of large numbers of men among the three-fifths of the adult male workers who were not organised, with the result that probably some millions of them engaged in many parts of the kingdom in agriculture, in dock and warehouse work, and in many nondescript occupations classed as unskilled labour did not receive (after deductions for lost time, etc.) as much as £55 a year, whilst many descended considerably below the "pound a week," which was not, at pre-war prices, enough to keep even a childless man continuously in industrial efficiency or healthy citizenship.

THE PRINCIPLE OF THE NATIONAL MINIMUM.

Such a condition of things could not be permanently tolerated; and the community came gradually, though very tardily, to realise that the existence of large numbers of persons on "earnings barely sufficient to maintain existence; hours of labour such as to make the lives of the workers' periods of almost ceaseless toil, hard and unlovely to the last degree; sanitary conditions injurious to the health of the persons employed and dangerous to the public," amounted to a serious deduction alike from the productive efficiency, the material prosperity, the physical health and the social well-being, not merely of the individuals concerned but also of the

nation as a whole. The outcome was the conception of prescribing and enforcing a national minimum in the conditions of the wage contract, below which, in the public interest, no person could be permitted to be employed. The principle of the national minimum has so far been only empirically and very partially put in operation; first, in regard to the portion of each twenty-four hours required for rest and recreation, by the successive Factories, Workshops, Shop Hours and Mines and Railways Regulation Acts; then, in respect of the sanitation, safety and amenity of work, by these statutes and by the Public Health Acts; then, with regard to education and the conditions under which employers can be permitted to use children and young persons in industrial operations, by the Education Acts; and latterly, in the matter of subsistence or wages, by the Trade Boards Acts, the Coal Mines (Minimum Wage) Act and the Corn Production Act.

We have to note, in the popular conception of the principle of the national minimum, and in its application in particular cases, a differentiation between men and women. (The empirical application of the principle in the Factory Acts, at first confined to children, was extended to women much earlier and more completely than it was to men, and the prescriptions often remain, to this day, different in their details for men and women respectively. The legal limitation of the hours of labour was long supposed not to be applicable to adult men; though its enactment did, in fact, frequently limit their working hours. But in certain great industries (notably coal-mining and the railway service) the hours of work of men have now been compulsorily brought down far below those still legally prescribed for factory women. With regard to wages, the "particulars clause" and the provision for accidents apply equally to men and women; but in the amount of the legally secured wage there is still a marked difference between the minimum rates for men and women as such, whether in the determinations of the Trade Boards or in those of the Agricultural Wages Board, the sums secured to women being usually from five-eighths to three-fourths of those secured to men. In fact, although legal enactment has been extended to the hours and wages of men as well as to those of women, there is still maintained a tradition that factory legislation should be more elaborate and more restrictive in the case of women and young persons than in the case of adult men. Thus, the limitations on the length of the normal day and on overtime, the prohibition to work at night and on Sundays apply to women and girls only; whilst females are not allowed to work underground in mines and in certain processes involving the use of lead and other poisonous materials. Women are not permitted to be employed within four weeks after giving birth to a child. Moreover, the extensive movement inaugurated by the Ministry of Munitions for providing social welfare workers and insisting on extra accommodation and provision for sanitation, rest

and medical treatment, have been so far applied almost exclusively to women and young persons. This movement has undoubtedly increased the cost of women's labour to the employer and, in some cases, to the tax-payer. It has introduced a new tone into the factories and a new type of authority, which have, as yet, not been extended to factories and workshops employing only adult men.

THE PRINCIPLE OF COLLECTIVE BARGAINING AND OF THE OCCUPATIONAL RATE LEADING, UNDER EXISTING CIRCUMSTANCES, TO A MALE RATE AND A FEMALE RATE.

The application of the Policy of the National Minimum to Wages came very late. The spontaneous reaction against the results of the unfettered operation of "Individual Bargaining" in the "higgling of the market" has been association among the wage-earners with a view to the substitution of collective bargaining, and the determination of common minimum conditions of employment applicable to all the persons employed in particular grades or at particular tasks. The object always is to exclude, from influence on the terms of the wage contract of *the other operatives*, the exceptional characteristics of individuals among them—whether in the nature of superiority or inferiority, as measured by needs, by capacity for bargaining or by industrial efficiency. In this way is evolved the idea of the standard rate, the normal day and prescribed conditions of sanitation, safety and amenity of work, below which no individual employer and no individual wage-earner may descend. The influence of competition, and that of "supply and demand," are not eliminated, but instead of operating directly on the terms of service of the individual, they operate only on the common minimum conditions of the task, grade or craft as a whole. This gives, for each of these, what may be called the occupational or standard rate.*

We find in existence over the greater part of the world of production, including many kinds and grades of brain-workers, a series of occupational rates, recognised as the minima to be paid to any persons undertaking the several kinds of work. These occupational or standard rates are determined irrespective of the qualifications of each particular worker, and they are payable, as minima, to every person chosen for employment at the several tasks. But they are minima only—they prevent less than the standard being paid, but they in no way preclude a larger amount being given for service superior in quantity or quality. And these occupational or

* The occupational rate takes, of course, many different forms in the various industries. There are, throughout, two principal types, namely (a) payment according to the time spent in the employer's service, and (b) payment according to result measured in output. On this complicated subject information will be found in *Methods of Industrial Remuneration*, by D. L. Schloss; *Industrial Democracy*, by S. and B. Webb; and *The Payment of Wages: A Study in Payment by Results under the Wage System*, by G. D. H. Cole.

standard rates involve no particular method of remuneration. They may be based simply on the working time, with more or less elaboration with regard to overtime, night work, Sunday duty and extra payments for duties of exceptional onerousness or disagreeableness. They may equally take the form of payments proportionate to output—these being always grounded, at bottom, on some implicit standard of daily or weekly earnings—which may be according to a more or less elaborate scale of piece-work rates, or more complicated systems of payment by results, with their own appropriate series of extras, and fortified by guaranteed time wages which must be paid, whatever the output. In both cases they include both the “scale rates” and any advances or additions made by way of percentages or lump sums.

When we pass from the manual workers to the brain-workers, we find the conception of the occupational rate taking slightly different forms. We see the same practice of standard rates for particular kinds of work being fixed for the whole of the persons chosen for employment, irrespective of individual capacity or service. Throughout the world of school-teaching, as in the Civil Service of Government Departments and Local Authorities, this occupational rate usually takes the form of salary scales, with periodical increments dependent on length of service and with special chances of promotion to higher grades. The pay and other conditions of the Army and Navy and of our judicial establishment, from the Stipendiary Magistrate up to the Lord Chancellor, afford other examples of standard rates fixed, irrespective of variations in personal capacity or efficiency, for the different occupational grades. In the other professions, new and old, where remuneration is by a series of fees from different clients, there are more or less precisely fixed scales of minimum fees, sometimes varying by grades, irrespective of personal qualifications. Where, as in the medical profession, the number of practitioners remunerated by fixed salary is becoming considerable, we see a standard minimum, below which no qualified practitioner should descend becoming effectively authoritative.

In the realm of manual labour the occupational standard rates are determined, in the main, by the relative economic strength of the employers on the one hand, and the several occupational grades on the other, the struggle being perpetually influenced by the possibility of recourse to alternative grades of labour and alternative processes or products. It is, however, interesting to notice that in neither case is it exclusively the balance of economic power that determines the occupational rate. Political pressure, custom and convention and “established expectations” play a large part. Such social considerations are specially apparent in the remuneration of the professions, and generally among the brain workers. A salary of £500, £1,000 or £5,000 a year, together with proportionate advantages in amenity of work, holidays, etc., will be voted

to officials and public servants of such and such kind or grade, very largely because those who fix the sum—themselves usually belonging to the same class or the same service—proceed on the tacit assumption of the amount being what a person of that class ought to have. Considerations of this kind explain, and under present circumstances are held to justify, the innumerable occupational rates that exist above what would be yielded by the higgling of the market, from the builders' labourer's standard rate in London of seventeen pence per hour up to that of the Judge of the High Court of Justice at £5,000 a year.

The determination of wages by the occupational rate operates at present largely to keep down women's wages in relation to men's. For reasons into which we need not here enter, women have so far been unable to make as much use as men of collective bargaining or political pressure, and they have found the balance of power against them.

There are, however, other influences which have tended to lower the occupational rates for women, as compared with those for men. The more or less adjustment of money wages to the cost of living has worked against women. A long tradition has left a vested interest of the male in all the better paid occupations. Moreover, the plea of special family obligations has been used against the women. All this has resulted in a tacit convention that there is throughout industry a male rate and a female rate.

THE PRINCIPLE OF ADJUSTING MONEY WAGES TO COST OF LIVING.

The practice of adjusting money wages to the cost of living seems a necessary adjunct of the principle of the national minimum and the principle of the occupational rate, seeing that the very object of a legal minimum wage and an occupational rate is the maintenance of a given standard of life, which is dependent on the amount of commodities and services for which the money wage is exchanged. But the employers as a class have never admitted this assumption. On the contrary, they have frequently asserted that a rise in the cost of living affects all classes proportionately, and that the working class must suffer their share of any depreciation of the currency. The scarcity of labour during the war and the strong strategic position of the organised workers has enabled the Trade Unions to compel both the Government and the employers to recognise that wages must be measured in terms of commodities; although it is only the powerfully organised trades that have succeeded in getting this principle completely applied. It is interesting to note, in the Awards of the Committee on Production and of other Government Tribunals set up during the war, what an extraordinary diversity was shown in the application of this apparently simple device for maintaining the level of real wages. Sometimes the Courts of Arbitration or individual arbitrators have awarded an advance strictly in proportion to earnings, so that the higher paid

men have got a larger addition per week than the low paid men. In other cases they have awarded a flat rate of advance of so much per day or per week, identical for all classes of operatives. In yet other cases they have granted larger additions to the lowly paid than to the highly paid operatives. But the one almost invariable feature of all these awards is that the women wage-earners have come off worse than the men.* Women, indeed, have sometimes been wholly ignored in the award. Thus, the principle of translating money wages into real wages, which has been so generally adopted during the war, has in itself adversely affected the wages of women in relation to those of men. We have been unable to discover any intelligent explanation of this treatment of women. Sometimes it is said that the rise in the cost of living does not bear so hardly on women as on men, because they live at home, have no dependents to support, and are, in fact, "pocket-money workers." But these factors, whether justifiably so or not, were already reflected in their money wages, causing them to be so much lower than those of men. When the fifteen or five-and-twenty shillings earnings of the women, equally with the thirty or fifty shillings

* The Award frequently took the form of a percentage advance, as in the case of the Hosiery Trades of Leicester, Nottingham, and Ilkeston, when the Committee awarded a war bonus of 5d. in the 1s. to men and women alike. (*Committee on Production and Special Arbitration Tribunal Awards: Vol. IV. No. 1645*). Many of the Trade Unions, however, objected that a percentage advance was unfair as it meant "so much more to the higher paid man," and contended that "after all the man with the higher salary does not have to pay more for his butter than the man with the low salary"; and in March, 1917, the Committee decided in favour of a consolidated national award of a flat advance for all workers in the engineering and foundry trades, whether skilled or unskilled, time or pieceworkers. (*Committee on Production Findings (March, 1915—May, 1917), No. 689*). This, however, was confined entirely to men, the women being dealt with by the Special Arbitration Tribunal for Women's Wages. The awards almost invariably gave to women a smaller advance than to men: a typical instance is that of the Sheffield Cutlery Workers, in which case women aged 20 years and over were entitled to a war bonus of 6s. 6d. but subject to a maximum inclusive rate of 23s. The men were entitled, on the other hand, to an unconditional advance of 47½ to 52½ per cent. (*Committee on Production and Special Arbitration Tribunal Awards: Vol. IV., No. 1333*.) We have discovered only one case—the award given to the Woollen and Worsted Trades—entitling the women on piecework to a higher percentage advance than the men (presumably on account of their lower piecework rates), viz.: 51 per cent. as against 48 per cent.; but no differentiation was made between men and women engaged on time work. (*Ibid. Vol. II., No. 418*.) A new departure was made in giving advances not of a percentage on earnings, but in proportion to the lowness of the wage. This principle was adopted mainly by Local Authorities and seldom agreed to by the workers except the general labour unions, and even they opposed the policy of an income limit so far as concerned their own members, and an example of the application of this principle is that of the clerks employed by the Manchester Corporation to whom the Committee on Production awarded (*Ibid. No. 1499*) the following scale of increases:—

- (1) Male employees earning from £150 to £300 a year, from 6s. 6d. to 9s. 6d.
- (2) Male employees, 18 years and over, earning less than £150 a year, from 9s. to 12s.
- (3) Female employees earning from £150 to £500 a year, from 4s. 6d. to 7s. 6d.
- (4) Female employees, 18 years and over, earning less than £150 a year, from 6s. to 9s.

Later advances and awards, however, modified this principle, while they increased the difference between the wages of one sex and the other.

earnings of the men, came to be paid in what was virtually depreciated currency, every one of the smaller number of shillings paid to the women had its purchasing power lessened in exactly the same proportion as each of the more numerous shillings of the men. Whatever she did with her scanty shillings before the alteration in prices, she found just the same proportionate shortage as the men did. Yet only very rarely was the woman allowed, in respect of the rise in the cost of living, the same percentage increase. We can only infer that what underlay the divergent awards and decisions was an unspoken feeling that "the women were getting too much"; and advantage was taken of their imperfect organisation and their greater docility to deny them any systematic equivalent for the depreciation of the currency in which they were paid.

It is desirable to remember that it was principally this unexplained equality in the treatment of women and men with regard to advances in respect of the cost of living that led to the widespread "labour unrest" among the women workers. In the case of women employed on men's work, the Government refusal to give women the men's advances was, as shown elsewhere, a clear breach of the Treasury Agreement of 19th March, 1915.

THE PRINCIPLE OF DETERMINING WAGES BY FAMILY OBLIGATIONS.

Very rarely do we find any "allowance for dependents" in the wages of industrial enterprise* The obstacles in the way of any

* During the war the Committee on Production made awards including allowances for dependents in the case of three firms employing the Swansea Copper Workers. These three firms had instituted the following scale of war bonuses:

- (1) Married men or householders (with dependents) earning below 30s. a week; 3s. a week.
- (2) Single men (without dependents) earning below 30s. a week; 1s. 6d. a week.
- (3) Married men or householders (with dependents) earning 30s. a week and upwards; 2s. a week.
- (4) Single men (without dependents) earning 30s. a week and upwards; 1s. a week.
- (5) Youths and boys; 1s. a week.

The bonus was supplementary to the rates of wages of all those earning below 60s. a week."

The first award (May, 1915) followed on the same lines subject only to some slight modifications.

- (1) Married men or householders (with dependents) earning below 60s. per week; 3s. a week.
- (2) Single men (without dependents) earning below 60s. per week; 2s. a week.
- (3) Youths and boys; 1s. a week.

This policy was, however, reversed by an Award in January, 1916, making no differentiation between married men and single.

The policy of allowances for dependents was incorporated in the awards granting war bonuses to corporation tramways (Newcastle-on-Tyne, Neath Corporation and others). This provision for dependents was opposed by the Amalgamated Association of Tramway and Vehicle Workers, who claimed instead a flat advance. The representatives of the workers urged "the necessity to get rid of what we regard as a nasty stigma on the single men, especially in an arbitration award." The workers "do not want to distinguish between the single and the married men. They are giving up their labour energy, and we say that it is not the function of the employer to say what a man's responsibilities are, whether he is single or married." In no case was any provision made for the dependents of the female dilutants.

general adoption of such a policy by profiteering employers with regard to wages in normal times are sufficiently obvious. But this principle was in 1914 virtually adopted by the Government, as by far the largest employer of labour, for the remuneration of the Army, by the institution of Separation Allowances graduated precisely according to the size of each man's family. The fact that something like half of all the families of the United Kingdom have for the last few years been receiving incomes determined according to the number and ages of the persons to be maintained has made a deep impression. This impression cannot but have been intensified by the action of the Government in December last in adopting, for the first time, the same principle for the State Unemployment Benefit, whether for demobilised soldiers or civilian workers thrown out of work by the cessation of hostilities. In this case the extra allowances for dependent children are made alike to men and women having such dependents. A similar principle was applied during the war in various other kinds of public employment, alike in Government Departments and under Local Authorities—not, indeed, with regard to the whole pay, but with regard to the advances conceded on account of the rise in the cost of living. Thus advances have been granted at different rates to "householders" and to those who were "single men" (all women being excluded from either category). In other cases, so much has been added to the men's wages "for each dependent," the women employees being excluded from this allowance. This method of fixing advances has been largely adopted by Continental municipalities.

Though this principle of determining wages by the extent of the family obligations of the wage-earner has not been adopted, when it is a question of paying more where there are dependents to be kept, either in industry or public employment (except in the cases noted above), it has been frequently used as an argument for keeping down the wages or salaries of women relatively to those of men, even where their work is admitted to be of the same value to the employer. It is habitually pleaded as a complete justification for the existence of a female rate, out of all proportion lower than the male rate for analogous occupations or jobs, that the man's wage covers the maintenance of a family, whereas the woman has only herself to keep. Even when the employer is getting the same output and the same value from women as from men, he has usually seen no impropriety in paying the women, as a customary female rate, two-thirds of what he paid to the men for the same work, as a customary male rate. We have even had this principle of family obligations given the consecration of adoption, as an excuse for unequal wages, by an authoritative Government Committee. In the profession of teaching, we are complacently told, women "almost invariably receive lower salaries than those paid to men of similar qualifications and the same standing in the service of the same authority . . . their duties are similar if not

identical; and"—as the Departmental Committee adds—"we are satisfied that the work of women, taking the schools as a whole, is as arduous as that of men and is not less zealously and efficiently done."* These lower scales for women's work are defended on the plea that a "man teacher looks forward to maintaining a wife, and family on what he earns, whilst many women enter the teaching service with no intention of remaining there for life, regarding it as a profitable and interesting occupation until marriage." Thus, any adoption of the principle of family obligations in the wages of industry militates against the woman, because it is always taken for granted (even when the worker is a widow with dependent children) that women have no family obligations!

THE PRINCIPLE OF THE VESTED INTEREST OF THE MALE.

The long-continued exclusion of women from nearly all the better-paid occupations has been largely the result of the assumption that these occupations were the sacred preserve of men. It is only within the last couple of centuries that women have—apart from a few exceptional cases—appeared as the earners of wages or salaries, either in industry or in the brain-working professions or, indeed, in any other capacity than that of domestic servant, or that of attendant or assistant of the man who was often related to them. They are still excluded from a great part of the field. By law, or by administrative action grounded in law, or by the practice of professional associations upheld by the Court, women are still definitely excluded from all branches of the legal profession, from the religious ministry, and from civil and mechanical engineering. With insignificant exceptions they are, to say the least, not encouraged in the professions of the architect, the actuary, the public accountant, the chemist and the pharmacist; and they are not admitted to the regular grades of the Civil Service, whether Class I. or Second Division, or in the ranks of the Inland Revenue, and the Customs and Excise, whilst in the rapidly-growing inspectorate they are debarred from all the better-paid posts. Though they have come to constitute nearly two-thirds of the teaching profession, they are still largely excluded from the University professoriate, and they are debarred, except in a very few cases, from the headships of colleges, institutes and schools admitting students of either sex and, indeed, sometimes from those admitting only female pupils.

Throughout the whole realm of manual labour the women have found equally closed against them, prior to the war, the occupations which had gained a relatively high occupational rate, together with the opportunities for training which might have enabled them to prove their competence and aptitude for the work. As in the brain-working occupations, the vested in-

* Report of Departmental Committee on Teachers in Elementary Schools (Cd. 8939) pp. 8-9.

terest of the male had always to be protected against new rivals of the other sex. Towards the close of the 18th Century the Industrial Revolution permitted the new capitalist employers to increase considerably the number of independent women wage-earners; and the art of weaving by the power-loom fell very largely into their hands. Normally, however, they were employed in subordinate capacities as cheap labourers at unskilled tasks. The men in the workshop saw no reason for allowing any women to learn a skilled craft; and right down to the present century it was rare to find any woman, however competent (outside the cotton weavers and a few waistcoat-makers, embroiderers and other specialised needleworkers), admitted to any industrial occupation at which she could earn more than the lowest grade of unskilled male labourers.

It must be said by way of explanation that, in the manual working occupations, the employers were always seeking to bring in the women, not merely to augment the number of trained and competent operatives, but with the object and purpose of reducing the occupational rate; and the proposal was seldom made to the men's Trade Unions of opening the craft to women on the basis of giving them the same wages as the men. It must be added that the London Society of Compositors, which long resisted the introduction of women to the skilled craft of the compositor, has, for a quarter of a century, thrown open its membership to women on the same terms as men, namely, that they should be earning the standard rate, either at 'stab (time) or piece-work, and a few women have thus gained admission. What is more usual is for the women to be made use of in alternative processes at a lower rate of pay (as in cotton-spinning by the ring-frame, which is an alternative to the exclusively male craft of mule-spinning). In other cases there has been a "degradation of the job" by subdivision of processes or some new arrangement of machinery, often by some application of team work, which has permitted an encroachment on the "man's job" at the "woman's rate."

But, apart from any influence on the men's rate of wages, the introduction of women into the factory or workshop heretofore employing men only was felt to result in a differentiation of the work in such a way as to throw upon the men all the specially onerous, specially unhealthy, or specially disagreeable tasks. Where there is night work the men have to do it all.*

* Thus, we are told by the representatives of the National Leather Trades Employers' Federation that "The coming in of the females, that is the mixing of male and female labour is likely to be a menace instead of assistance to efficiency, and that is one of the things which we need to safeguard. . . . There is not the same measure of efficiency and yet it is difficult to define where the line of demarcation really comes in. We could not consent to a female being paid less than a male because in some sections of the industry she is efficient. It is no use denying that. But it is the section of the industry that men have a perfect right to have in order to help them to make the more difficult part, and perhaps the least paid, pay them. It does not work to give the females the easiest and best paid work, and let the men have the heavier and worst-paid, but take the two together and put them through. If the female could take a share of all it might be different. These are all things

The outcome, down to the war, was a very general segregation of men and women in industry, the two sexes being very seldom employed on the same kinds of work, or in the production of exactly the same articles. Whether the segregation of the sexes in industry was influenced by custom and convention, or determined by relative aptitude, its result upon wages was to give rise to markedly different rates of remuneration for what was recognised as a "man's job" and what as a "woman's job." We had, accordingly, over by far the greater part of the industrial field, a "man's rate" or customary standard of wages for occupations of different degrees of onerousness or of skill, contrasted with a "woman's rate" of wages for occupations of no less varying character, according as these different tasks had commonly been relegated to one sex or the other. It must be said that these markedly contrasted "men's rates" and "women's rates" bore no definite proportion to the physiological or mental expenditure of the workers of the two sexes in their several tasks, whether measured by their "efforts and sacrifices," or merely by time. Nor does it appear that the several rates were proportionate to the value of their service to the capitalist employer or to the manager for the municipality. There is, indeed, no way (except that of its price in the market) by which the relative value to the community of the service, respectively, of men and women teachers—to take one example—can be computed. In the same way we see no manner in which the relative value could be computed either to the capitalist employer or to the community, of such contrasted services as the continuous delicate sorting or gauging or adjusting of minute components, which experience shows to be more efficiently done by women than by men, and the shifting of pig-iron in the yard, for which the brute force of men of great strength is indispensable.

We have, accordingly, as the result of all these influences, the exclusion of the whole class of women, as such, from the professions or occupations in which the occupational rate is relatively high, and from the training qualifying for the work, so that not even those individuals among them who might have proved their

we have to safeguard. We must safeguard them without any prejudice against a female as a female." (Shorthand Notes of Evidence before the War Cabinet Committee, 6-12-18, p. 57.) This view was also taken by the representative of the Soap and Candle Trades Employers' Federation: "The men have told us where women are employed—in this case I have mentioned to you about the warehouse—the gang was paid on production bonus; they had a guaranteed wage and a production bonus in addition, and when it came to the time for the women—we put the women there for two or three months to get accustomed to the work before we put them on production bonus—when it came to sharing out, the men said, 'No, this is coming out of our pockets, because we are having all the hard work to do, and we will not work with women. If we have to work along with these women we are only going to do the same work as the women are doing, or the women have got to do the same work as we are doing. We must have it one way or the other. We are not going to do the heavy work and let them share our bonus. Of course it was pooled.'" (Ibid. 12-11-16.)

competence have been permitted to enter these favoured occupations. In addition, the influence of habit and custom, and "established expectations" have all combined both to relegate women to the less advantageously situated occupations, and to fix the occupational rates of "women's trades" at a distance below the occupational rates of "men's trades," which bears no assignable relation either to the efforts and sacrifices of the two sexes, or to their output or value to the employer, or to their productiveness to the community.

THE PRINCIPLE OF A DEFINITE QUALIFICATION FOR EMPLOYMENT.

We have to notice the growing adoption, alongside the spread of the conception of an authoritative standard rate for each vocation, of the principle of making employment conditional on the possession of a specific technical qualification for the calling. We see this coming to be fully recognised in the brainworking professions, the prescribed qualifications for the medical and legal professions being now extensively followed by analogous requirements in teaching, engineering, architecture, accountancy, etc. There are signs that the practice of the National Civil Service in making entrance dependent on success in examinations will be followed by the Local Authorities, a beginning having been made in such branches as Sanitary Inspection, Nursing and Midwifery. We see the same tendency in such industrial vocations as plumbing, mining, and the working of engines, where certificates of competency are coming to be required. The ground on which this closing of occupations to any but specifically qualified persons has been justified is the public interest in ensuring that the persons employed shall have attained at least a prescribed minimum of efficiency. The requirement of a qualification prevents the employer from selecting, for any vacancy, a candidate of lower grade, however cheaply he might be able to obtain his services. The requirement also checks favouritism and jobbery in filling appointments, whether in capitalist enterprise or under public authorities. Speaking generally, the tendency is to prevent competition for employment on the part of the candidates below the prescribed line, and thus incidentally to maintain the Occupational Rate; and to concentrate all the influence of competition upon the quality of the service to be rendered. The Trade Unions desire an extension of this principle. They have made various requests for legal requirement of specific technical qualifications in particular occupations. What is more important is the confirmation which the same principle gives to their insistence that employment in the occupations for which they demand a standard rate should be restricted to "fully qualified" candidates, by which they mean candidates who have entered the trade through the recognised avenues, which may often include the prolonged apprenticeship which is falling into disuse, and for which no

generally accepted substitute has yet been found. This has undoubtedly had an adverse effect upon the wages of women, because it has been bound up with the Vested Interest of the Male.

THE FORMULA OF EQUAL PAY FOR EQUAL WORK.

We have still to mention what is, at the moment, the most fashionable formula on which it is assumed that the relation of men's and women's wages should be determined, namely, that of "Equal Pay for Equal Work." This can hardly be said to be an accepted principle, because there is no common interpretation of its meaning. In one sense "Equal Pay for Equal Work" has reference to the physiological and mental results to the operative, and implies a differentiation of wages according to the efforts and sacrifices that the work involves to the human beings concerned. These, however, we have not yet learned how to measure with any accuracy, apart from the time which the wage-earner has to place at the disposal of the employer and the character of the work performed. To the manual worker this giving up of a definite part of his daily life at a particular task seems the main factor, and this justifies to him the time rate for each particular occupation. To quote the evidence of one of the representatives of the National Union of General Workers, "the price of a job should be fixed, not upon the basis of the sex or the individual doing the job, but it should be established upon the basis of the job itself, that whoever does the work should receive the price that custom and Trade Union method has established as the price of the particular class of work." It is interesting to note that a like conception practically governs the determination of the methods of remuneration of many classes of salaried brainworkers. The quantity and quality of the services rendered by individuals in the different grades of the Civil Service, by general managers of banks and railway companies, by judges, and, be it added, by Cabinet Ministers, varies enormously; but it has never been suggested that there should be any variation from the scales of salaries voted by Parliament or established by custom according to the merit of the different individuals of each vocation or grade.

In respect of the wages of the manual workers the more popular interpretation of "Equal Pay for Equal Work" has reference to the quantity and quality of the product, irrespective of the effect upon the several operatives, or of the net value of the service to the employer. The product can, in some industries, be measured with sufficient accuracy to enable it to be made the basis of wage-determination, whether payment be made simply "by the piece" or by some other system of wages in proportion to results. In the most highly organised industry in which women are extensively employed on the same processes as men (*i.e.*, cotton-weaving), this method of remuneration is embodied in standing Lists of Piece-work Prices determined by collective bargaining and interpreted

in detail by the expert officials of the Employers' Association and the Trade Union. These piecework lists become, in fact, the occupational rate enforced on all establishments. The success of this method of remuneration in a powerfully organised trade has led to the assumption that "Equal Pay for Equal Work" should mean equal piecework rates (as distinguished from equal time rates) for both sexes.*

This commonsense interpretation of "equal pay for equal work" does, however, not meet with the approval of the employers in many industries. They urge that the wages of the workshop are not the only elements in the expenses of production; and commodities paid for by equal workshop wages may stand at very different costs in the enterprise as a whole, according to their different demands in the way of time and space, involving greater or less "overhead charges" for rent and repairs, lighting and heating, superintendence, and other expenses incidental to a factory staff, interest on cost of machinery and its annual maintenance or renewal. "Supposing you were going to employ nothing but women," we are told by the representative of the United Tanners' Federation, "I should say that could be only if the wages are lower, for two or three reasons. One, that you would have to have at least one-third more plant and machinery; you would have to have one-third more period or time when you had to keep that plant and machinery running; you could not get the same output from the same area, the same plant, the same machinery, if you employed female labour entirely; therefore the cost of the final article would have to be greater. But we should not object in the very least, in fact we welcome and hope to employ female labour to such an extent that the cost of production is not increased as against the employment of male labour; but one must take into consideration, as I said before, the large amount of plant, the large amount of coal that would have to be used, the larger premises, and all that sort of thing. That would go on to your on-cost and increase the cost of your production. Therefore female labour, from the very fact that it takes three to take the place of two men, and those three

* It is important to realise that any satisfactory application of the principle of equal piecework rates for both sexes depends on powerful organisation. In the woollen and worsted trades no such equality has been maintained. Thus, we are told by the Woollen and Worsted Trades' Federation that "In weaving, the conditions of competition in Huddersfield, where it was almost entirely confined, were that wages for men and women in Woollen and Worsted were supposed to be paid on what is known as the '1883 Scale.' Had the scale been strictly adhered to, the piecework prices for men and women would have been as 100 to 85 approximately. In other words the scale prices for men are about 17 per cent. above those for women. In actual practice, however, while the women's scale was almost generally observed men were paid in some cases on the men's scale, in others at one penny in the shilling on the women's scale; in others at one penny per 'string' over the women's scale (a varying proportion). Probably the best estimate which can be made of the average relative levels of piece-rate prices of men and women in Huddersfield in pre-war days is that the men were paid 10 per cent. more than women." (Memorandum submitted to the War Cabinet Committee by the Woollen and Worsted Trades' Federation, 1918.)

have to be warehoused in the premises—I do not mean domestically housed—could not expect to get exactly the same.” Thus, “Equal Pay for Equal Work” comes to mean, in the mind of the capitalist employer or the manager for the municipality, “Equal Wages for Equal Value”; and we have claims that even the piecework rates for identical articles should vary according to the different percentages of “overhead charges” that particular classes of operatives are said to involve. “If the women are paid the same piece rates after the war as the men,” remarked the above witness, “they will be ousted from the factories because their output is practically one-third less . . . their trade unions having refused to let women work under the piece rates of the men. . . . *But some of the factories have kept their women entirely on day work or almost entirely on day work, in order to obviate this question of piece prices cropping up. . . .* It is absolutely a trade that women could work in and could easily work if they were put to it.*

Another reason is given by the employers for a lower rate of payment even on piecework to women than to men. “A woman,” it is asserted, “has not the same potential value as a man; she may do a particular job as well and even better than a man, but she cannot be taken off that job and put on to something else either on the ground of emergency or to fill up her time.” “Equal pay should not be given to men and women engaged on the same or similar work,” we were told by a representative of the Cycle and Motor Industry, “it is a question of comparative total efficiency, *i.e.*, a woman punching a ticket on a tramcar may appear to be equal to a man. She, however, has not the same potential value, and would not be so useful as a man in the case of emergency, such as a breakdown, runaway, row, etc.”† Then General Manager of the Great Western Railway, as an excuse for giving women a much lower rate than men, stated that “The experience gained showed that as typists and telegraphs the women were practically the equal of male clerks of similar age and experience. They were not so valuable to the company, however, by reason of the greater use to which men could be put in connection with duties outside the immediate sphere in which the individual was employed.”‡

But what, as a matter of fact, has stood in the way of the acceptance of the principle of “Equal Pay for Equal Work,” is not the ambiguity of the phrase, but the ease with which its honest

* This evidence that employers, in order to evade “Equal Pay for Equal Work” kept the women on time rates, is an interesting commentary on the working of L. 2. as the embodiment of the Treasury Agreement. The same evasion of the Government pledge seems to have taken place in the Pottery Trade. The representative of the Amalgamated Society of Male and Female Pottery Workers asserting that “women dippers have largely entered the trade as substitutes for men who have joined up, and in some instances are receiving the same rates as formerly paid to men. In many other cases the women have been either put on time rates or greatly reduced piece rates.”

† Summaries of evidence to the War Cabinet Committee, 1918, p. 221.

‡ Shorthand Notes of Evidence before the War Cabinet Committee, 9.12.18.

application, whatever it may be taken to mean, can be evaded or dodged. Even when the commonsense interpretation is accepted, of "Equal Pay for Equal Output," it is, as the preceding example shows, evaded by the simple expedient of not allowing the women to be paid by results at all, and thus keeping them to a woman's rate" for timework. But the dodging more often takes a subtler form. It is extremely rare, in industry, to find men and women performing exactly the same operations, making identical things by the same processes, or doing the whole of each other's jobs. Even where women are substituted for men, there is, practically always, some alteration in the process, or in the machinery employed, or in the arrangement of the tasks of the operatives, or in the way in which the labour is divided, which permits the employer to contend that the work done by the women is not the same as that previously done by the men, and which accordingly as he thinks, warrants him in fixing the women's remuneration, whether by time or on systems of payment by results, at rates substantially lower than those of the men. If an employer is in some way required to give "Equal Pay for Equal Work," he habitually takes care to make some change in the work, so as to escape from the obligation. The Post Office has, it is alleged, on more than one occasion, deliberately "degraded" the tasks at which women clerks are employed, in order to prevent a claim to the men's remuneration.

THE PRINCIPLE OF LIMITING WAGES BY FOREIGN COMPETITION.

There is still another principle according to which it is claimed that wages are, and ought to be determined, namely, that of Foreign Competition. It has been urged upon us that the wages of the manual workers in British industries must necessarily be limited by those paid to the manual workers in the same industries in other countries, because otherwise the employers in those countries will be able to sell their wares at lower prices than British employers, and so prevent these from developing their export trade, or possibly even their sales for home consumption. This principle applies, as will be seen, both to the wages of men and to those of women. But it has been used also as an argument in favour of the restriction of women's wages to an exceptional low rate, on the plea that unless the employer was able to get the commodities made by specially "cheap labour"—which is assumed always to be obtainable only from women—the export trade could not be carried on.

The principle of determining the rates of wages by reference to foreign competition is not, so far as we are aware, applied with any statistical precision with reference to the rates actually paid in other countries. It has, for instance, never been made the ground for increasing the rates of wages in this country to such classes and grades of workers as have received higher rates or better

conditions in the United States or Germany, Australia or New Zealand. The extra profit accruing to the employers by reason of a lower cost of labour in this country than in some others is not brought into the account. Nor is the principle, when closely examined, one relating to the relative level of wages at all. What is urged is that unless the rate of wages in this or that occupation is restricted to a low maximum, the industry cannot be carried on at a profit in competition with employers in other countries, who can apparently sell at lower prices. Thus the argument for keeping wages down in this country is irrespective of whether the power of the foreign employer to sell at lower prices is the effect of relatively low rates of wages; high productivity; superiority in natural advantage, plant and equipment; skill in management, or willingness to accept a lower rate of profit. The plea for permission to employ "cheap labour" is equally made when what the employer is afraid of is the highly paid skilled labour of the United States, or the exceptional natural resources of Argentina, or the specially elaborate scientific organisation of German industry, or the low wages of India or Japan. It comes, in fact, to nothing more than the desire of every employer affected by commercial competition to cut down expenses wherever he most easily can.

THE DEVICE OF PROFIT-SHARING.

We think it is unnecessary to describe the device of making some addition to wages according to the profits of an individual firm, or even according to those of the industry as a whole. The profit-sharing schemes adopted by individual firms on all sorts of bases, and yielding very different results in increments to the normal wages, are always coming and going, without (except in gas companies) showing any sign of general adoption. But besides schemes of profit-sharing in particular establishments, we have the same device either applied or proposed to be applied collectively to the operatives in a particular industry. One embodiment of this principle is the sliding scale by which wages in the iron and steel trade rise and fall according to the selling price of the product, which is taken as a rough index of the average profitability of the industry for the time being. Apart, however, from these sliding scales arrived at by the representatives of the employers and employed we have informal agreements between the representatives of the employers and the workers to raise or lower wages upon the basis of selling prices, or sometimes according to the margin between the price of the raw material and that of the finished product. More recently ambitious and elaborate schemes have been put forward by the employers in particular industries—notably in coal-mining—to take the Trade Union into partnership and even to accord to its representatives seats on a Joint Board, with a view to the workers as a whole participating in the agree-

gate net profits of the industry, after payment of a prescribed rate of interest on the entire nominal capitalisation; the figures being taken by an independent public accountant from the books of the several employers, and the result given only for the industry as a whole.

Schemes of profit-sharing may apply equally to men and women. But I have to point out that they increase the inequality between men's and women's wages. The percentage added to wages usually varies according to the grade of operative, or even where this is not the case, yields a larger increment to the highly paid than the lowly-paid grades. Thus the women are, in their character of lowly-paid workers, at a disadvantage compared with the men, exactly as the unskilled male operatives are at a disadvantage compared with the skilled male operatives.

THE CHAOS PRODUCED BY THE WAR.

The widespread dislocation of industry produced by the war, together with the suspension of collective bargaining and factory regulations involved in the Government requirements, and the abrogation of Trade Union conditions in return for the Government pledges contained in the Treasury Agreement of March, 1915, with the subsequent alterations of wages by Government fiat under stress of circumstances, have produced an indescribable chaos in the Labour Market. The wages of women, in particular, vary from less than a pound a week—a rate still being paid, notwithstanding the doubling of the cost of living since 1914 in various parts of the country to many thousands of women—up to six or occasionally even ten times as much, the variations corresponding neither with the cost of living, the efforts and sacrifices, the value to the employer nor the service to the community. Many of the variations are merely the unforeseen result of the fulfilment or non-fulfilment of the various "War Pledges" made without comprehension of their effect in practice. The standard rates for "men's jobs" have advanced with much less unevenness than women's wages, so that there cannot nowadays be said to be any definite ratio between the earnings of men and women respectively. The ground is accordingly clear for a systematic reconsideration of the problem.

CHAPTER II.

THE PRINCIPLES TO BE REJECTED AND THE PRINCIPLES TO BE RECOMMENDED.

The selection of one principle on which to determine the relation of men's and women's wages rather than another must necessarily depend, in great measure, on the kind of society we wish to bring about. What is important is to have clearly in view what social conditions we are aiming at. We must, of course, take

fully into consideration what, in the present stage of social development, is economically practicable; and not less what are likely to be the reactions—economic, social and political—of any proposals. But our judgment upon these proposals will depend, primarily, on underlying assumptions as to what we desire to produce. It is accordingly important, for clearness of thought, that these assumptions should be definitely chosen and explicitly postulated. I make the following assumptions.

The first requirement of a civilised community is the maintenance of the whole population at the highest Standard of Life that the community's knowledge and its command over natural resources make practicable. It is by success in achieving this result that governments must be judged. The Standard of Life involves, of course, a continuity of subsistence; but it includes much more than mere maintenance, more even than maintenance in health and efficiency. We cannot be satisfied without securing for the whole population also the greatest practicable measure of freedom, in the sense of the maximum development and satisfaction of individual faculties and desires.

Incidental to this primary requirement rather than second to it, is the obtaining, throughout the whole community, of the maximum production of the commodities and services upon which the standard of life depends; or, to put it more precisely, the most advantageous proportion between the output of commodities and services and the efforts and sacrifices that their production involves.

Moreover, alike in order to make the most of whatever product there is to share, and in order to satisfy the sense of justice, there has admittedly to be a steady approximation to some measure of equivalence between income and the efforts and sacrifices by which income is made.

No less fundamental is the maintenance of the nation, and of its Standard of Life, from generation to generation. Whatever the parent may do, the statesman cannot safely place the requirements of the children, and of succeeding generations, at any lower level than those of the contemporary electorate.

It is in the light of these assumptions that we have to choose among the several principles by which the relation between men's and women's wages may be determined.

THE PRINCIPLE OF INDIVIDUAL BARGAINING MUST BE REJECTED.

We see at once that we may dismiss what has been called the principle of there being no principle in the matter, other than that of leaving the whole thing to the higgling of the market, to be settled, case by case, through individual bargaining, according to "Supply and Demand." The inevitability of this resulting in a large morass of "sweating" has been too clearly demonstrated—of the condemnation of a considerable proportion of the producers to "earnings barely sufficient to sustain existence; hours

of labour such as to make the lives of the workers periods of almost ceaseless toil, hardened, unlovely to the last degree; sanitary conditions injurious to the health of the persons employed and dangerous to the public." This is now seen to be inconsistent with the maintenance, throughout the existing community, of any decent standard of life. It is, as is hereafter shown, not conducive to obtaining, throughout the whole community, of the maximum production relatively to the efforts and sacrifices of the persons employed. And it is obviously incompatible with the maintenance of the nation, and of its standard of life, from generation to generation. The facts that, over so large a proportion of the whole field, this "principle of there being no principle" has been abandoned by general consent; that every decade sees a further limitation of the area to which it is left to apply; that neither the economists nor the employers, as a class, suggest even a possibility, still less the desirability, of reversion; and that the forces of organised labour would fiercely resist any attempt in that direction, enable us to dispense with any consideration of the alternative of leaving the relation between the wages and salaries of men and women respectively to be settled simply by "Individual Bargaining," and the "higgling of the market." I must take it that, at the present day, the very appointment of a Committee to define a principle is, in itself, the negation of the "principle of there being no principle."

THE PRINCIPLE OF THE NATIONAL MINIMUM MUST BE ACCEPTED.

I think it impossible to avoid the conclusion that the prescription, and the resolute enforcement throughout the whole community, of minimum conditions of service, form an indispensable basis of any decent social order. The case for what has been called the National Minimum appears to me to have been now fully demonstrated. We have to assume that it is one of the primary duties of the Legislature and the Executive Government to provide for the prescription; for the periodical adjustment; for the adaptation to particular circumstances of localities and industries; and for the systematic enforcement of such a national minimum, which should include, at least, the fundamental requirements of leisure, sanitation, education and subsistence.

I do not see how it can be argued that this national minimum should be other than equal, and in fact identical, for persons of either sex. Such a legal minimum cannot, in practice, secure more than the needs that are common to human beings as such. It can ensure, as opportunities for rest and recreation, a certain proportion of each twenty-four hours; and I do not suppose that anyone would desire that this proportion should be, as a minimum, smaller for women than for men. It can ensure the provision of a minimum of certain essential requirements of sanitation, safety and amenity alike in the workplace and the dwelling-

house; and, here again, no one would contend that the standard should be lower for the female than for the male sex. It can see to it that no one grows to adult age without having had access to the opportunities of acquiring all the education for which he has aptitude or capacity; and girls can hardly be placed on a lower level than boys. We come finally to the requirements that are provided in the form of wages or salary; and here it is often contended that a woman needs less than a man. It is said, for instance, that women, being on an average shorter and smaller than men, require only four-fifths as much food as men. But this result of statistical averages affords, as it seems to me, much less ground for differentiating between the rations of men and women as such, than between human beings over and under five-feet-five in height, or above and below nine stone in weight. In actual practice, however, a national minimum of wages cannot take account of the difference between appetites, or provide accurately for abnormalities at either end of the scale. The wage has to provide for much besides food—for shelter, fuel and light; for whatever standard of clothing the climate and customs of the nation make requisite; for such indispensable items as travelling, insurance and other contributions; for the saving necessary to tide over the "lost time" due to the sickness not covered by insurance, and for holidays; not to mention also books and newspapers, and recreation of one or other kind. I cannot discover that, taking these things together, there is any recognisable difference between the necessary cost of maintenance in health and efficiency of a man of 21 and of a woman of 21. If most women need to spend less on food than most men (though not women of more than average size and physical exertion than men of less than average size and physical exertion), they usually have to pay more than men for lodgings compatible with a life of equal dignity and refinement. Their clothes cost, for an equal effect, more than those of the men; and more is expected of them. They need to save more than the men for the lost time due to short spells of illness. Their books and newspapers, like their tram rides, are the same to them in price as to the men. So far, I am irresistibly led to the conclusion that the national minimum wage, which the Legislature should secure for all adult workers whilst in employment, cannot be other than identical for both sexes. There remains the item of family obligations, to which I shall recur.

THE PRINCIPLE OF THE OCCUPATIONAL RATE MUST BE ACCEPTED.

The national minimum cannot be other than the basic minimum, below which, in the judgment of the community for the time being, it is nationally inexpedient to allow any human being to descend. It has nothing to do with the proper or desirable remuneration of labour, or with the share of the national income to which any or all of the sections of the wage-earning population may reasonably

aspire. Moreover, it includes no provision for the cost of acquiring skill or proficiency of any kind, beyond that common to all human beings; and no payment or remuneration either for such skill or proficiency, or for any standard of life in excess of the national minimum, or other expenses which the performance of special duties or the fulfilment of particular functions may involve. In fact, in any organised and civilised society, the continued existence of persons receiving no more than the national minimum, equipped with no more than universal training, possessing no specialised skill, and fulfilling no specific function, ought to become steadily more exceptional. The sphere of the occupational or standard rate will, in fact, in any progressive society, become continually more extensive.

We have, therefore, to recognise the necessity of the principle of the occupational or standard rate, which, as has been described, already prevails throughout the greater part of the world of production, alike of commodities and services. How much in excess of the national minimum the occupational rate should be depends on the circumstances and requirements of each occupation. It is obvious that, with freedom of choice of vocations, the inducements offered for any tasks requiring more than common skill, or more than the training which is universal—and likewise for any tasks that are, in fact, exceptionally repellant, from whatever cause—whether or not these inducements take the form of additional payment—must be sufficient to attract the staff of persons required for their performance. To the prescribed national minimum there has accordingly to be added, for each such occupation, what we may call a supplement for scarcity. In the same way, the fulfilment of particular functions in the manner desired may involve personal habits and a method of life more costly than the standard prescribed as the universal minimum. To the prescribed national minimum there has accordingly to be added, in such cases, what we may call a supplement for the necessary expenses of the professional status. What is not so immediately obvious is why there needs to be, for each occupational grade—not individual bargaining and the distinctive payment of each individual “according,” as it is said, “to his merits”—but a common standard rate.

The argument in favour of a common standard rate as a minimum for each occupational grade, instead of leaving each person's pay to be settled by the higgling of the market, through individual bargaining is much the same as that in favour of the national minimum, only stronger. The person to be engaged, who is normally in a much weaker economic position than the employer or the authority from whom he seeks employment, is protected, by the existence of a common standard rate, from being taken advantage of. He may be in urgent need; his wife and family may be in distress; he may be an exceptionally quick worker, and able to make a living at a piecework rate at which other men would

starve—all these and many other influences would (and constantly do) operate through the higgling of the market, in the absence of an authoritative standard minimum, to degrade the conditions of employment, below what the same relative "supply and demand" would produce with effective collective bargaining. The existence of common standard conditions, which can be insisted on as a minimum, is, in short, indispensable to collective bargaining; and collective bargaining is, in the judgment of organised labour, which the economists are no longer prepared to deny, a necessary defence against a degradation of the existing occupational rates considerably below their present level.

It might be thought that where, as in the national and municipal Civil Service, the employment is under a public authority, not working for profit, there would be less need, if any, for authoritative standard rates applicable, as minima, irrespective of individual qualifications. This is not the case. It is found by experience, not only convenient to the administration, but also necessary to the persons employed, to adopt standard salary scales and increments, not merely to prevent advantage being taken of individual weakness in bargaining, but also to prevent both unfair favouritism and the widespread suspicion of its baleful influence.

There are, however, other reasons for an occupational rate, instead of payments settled by individual bargaining, which are applicable both to manual workers and to brainworkers. The effect of the resolute enforcement throughout each occupational grade of a common standard minimum, instead of paying each employee "according," as the employer says, "to his merits," is to concentrate all the strength of the competition for employment upon efficiency, and continuously to raise the average level. If the employer is compelled to pay the standard rate as a minimum to every person whom he engages, he will be continually seeking to pick, for the common price, the most efficient worker. If, on the other hand, the employer is free to offer less than the standard to anyone whom he can induce to accept this lower wage, it may very often pay him to select for each vacancy, not the most efficient candidate, but a less skilled, a less sober, a less well-trained, or a less industrious worker, provided that he can hire him at a more than proportionate reduction on the standard rate. Thus, there can be no doubt that, in occupations in which a standard rate is effectively maintained, the persons who are at any moment in employment tend always to be the pick of the available workers; whilst those who constitute the fringe of the habitually or frequently "out of works" are, for one or other reason, the relatively inefficient. The enforcement of a standard minimum makes, accordingly, for maximum production (measured in commodities or services). Where there is no standard rate, the selection may be quite the other way. Those in employment at any one time will include "the lame, the halt and the blind"; the

physically, mentally and morally deficient; the industrially apathetic or servile; the weaklings and the drunkards—each individually taken on at a wage at which his less efficient labour has seemed actually cheaper to the employer than that of the fully efficient worker at the standard rate. The aggregate output of commodities and services (though not necessarily the profits of the employer) will, therefore, always be lower in proportion to the number of persons employed and to the efforts and sacrifices involved, in occupations in which there is no standard rate, and where wages are left, through individual bargaining, to the higgling of the market, than in those in which a standard rate is effectively enforced.

The remarkable effect of standard conditions of employment on the productivity of industry is not limited to increased efficiency in the selection of the workers and the stimulus to their progressive improvement; it has a like effect on the brains of the entrepreneur and on the selection and improvement of the machines and processes. When all the employers in a trade find themselves precluded, by the existence of a common rule, from worsening the conditions of employment—when, for instance, they are legally prohibited from crowding more operatives into their mills or keeping them at work for longer hours, or when they find it impossible, owing to a strictly enforced piecework list, to nibble at wages—they are driven, in their competitive struggle with each other, to seek advantage in other ways. We arrive, therefore, at the unexpected result that the insistence by the trade union on uniform conditions of employment positively stimulates the invention and adoption of new processes of manufacture. "Mankind," says Emerson, "is as lazy as it dares to be," and so long as an employer can meet the pressure of the wholesale trader, or of foreign competition, by nibbling at wages or "cribbing time," he is not likely to undertake the "intolerable toil of thought" that would be required to discover a genuine improvement in the productive process. Besides this direct effect in stimulating all the employers, the mere existence of the common rule has another and even more important result on the efficiency of industry, in that it is always tending to drive business into those establishments which are most favourably situated, best equipped, and managed with the greatest ability; and to eliminate the incompetent or old-fashioned employer. And this is no mere theory. It is, as every student of industrial history knows, abundantly illustrated in the story of the Lancashire cotton industry.*

* *Industrial Democracy*, by S. and B. Webb, see especially the chapter on "The Economic Characteristic of Trade Unionism." The same thing was borne out by evidence before the Committee even from employers. The representative of the National Federation of Laundry Associations and Launderers' Association, Limited, agreed that "one of the effects of having a uniform standard rate and having that on a very reasonable basis as regards the maintenance of the individual wage earner, would be to drive all the work into those laundries which had the best appliances."

Finally, from the standpoint of the status of the worker in industry, there is an imperative reason for the common rule. The occupational rate, or rather, the existence of common standard conditions alike in pay and in the other terms of employment, is found by experience to afford practically the only available lever by which the workers concerned can assert and exercise any effective share in the control of their own working lives. With the conditions of employment settled, employee by employee, through individual bargaining, the whole staff is reduced to a series of isolated persons recognising no interests in common, each playing for his own hand, and all consequently unable effectively to claim or to exercise any participation in the direction even of that part of the enterprise on which the conditions of their working lives depend. If we may assume that the aspirations for an enlarged industrial freedom for the workers concerned must inevitably receive some satisfaction, the universal establishment of common rules for each occupational grade is an indispensable condition of that expansion of the sphere of trade unions and professional associations which will permit of any collective settlement, occupation by occupation, of the conditions under which the service is rendered. It is, in fact, the only practicable alternative to the complete supremacy of bureaucratic "Government from above," whether official or capitalist.

THE PRINCIPLE OF A MALE RATE AND A FEMALE RATE MUST BE REJECTED.

It has been suggested to us that—granting the necessity of common occupational rates—there should be, in each occupational grade, one such rate for men as such, and another, always much lower, for women as such. Such inequality of payment for similar work is the rule rather than the exception. I give one illustrative quotation from our evidence. "At one of the largest societies in the country—Leeds—a woman has replaced a man in the outfitting department. She not only does the same work behind the counter and in buying that he did, but, in addition, has undertaken the measurements for alterations for the tailoring department. The man's wages on enlistment were £3, the woman's wage in September, 1918, 23s.—that is including the war bonus—although the departmental manager freely admits that she is as valuable as the enlisted man. In the same society a branch boot and a branch drapery department, side by side, had each a man manager responsible for ordering goods from the central warehouse (not buying direct), who received 32s. in 1914. The men have since

"If you ask me to take long views on the subject, I am absolutely with you," he replied, "but from my personal knowledge of the laundry trade, it would mean the shutting up of 75 per cent. of them." (Shorthand Notes of Evidence before the War Cabinet Committee, 12/12/18.) It is significant that the laundry employers, in the absence of any Standard Rate, have been advertising for women at 20s. a week for a 60 hours week—a wage which is not more than 10s. a week at pre-war prices.

enlisted, and the two departments have been combined under one woman, who is responsible for all the ordering and other duties that the men performed. She is helped by a young girl. Her own wages (including war bonus) amount to 26s.; thus the work done by two men at 64s. is now done by one woman at 26s. and one girl at 25s. per week. The staff central boot department of the Pontefract Co-operative Society consisted of a manager at £3 17s. 6d. per week, a female assistant at 26s., and a young girl at 11s., being a total wage cost of £5 14s. 6d. per week. The manager enlisted and the first assistant was given his duties. In September, 1918, her wages were 37s. The 11s. was war bonus, no advance had been given for responsibilities, and the young assistant is now receiving 19s., partly wage advance and partly war bonus. The woman has undertaken all the duties that the male manager performed, and her turnover has increased by £1,560 per annum . . . not very largely due to increased prices, as the manager himself was present during the huge leap in prices consequent on war conditions in 1916-7.* Similar differences are common in many manufacturing industries.

The custom of paying women, even when doing the same work as men, much less than the men, has long prevailed, very largely, as we think, for the non-economic reasons that have been already described in the foregoing section of the principle of the national minimum. We see, for instance, that the inequality has, during the war, actually been embodied in agreements between the men's trade unions and employers' associations, *coupled with a solemn bargain that after the war the women should be excluded from the men's jobs*. The principle of a male rate and a female rate is, in fact, inextricably bound up with the principle of the vested interest of the male. Wherever a trade union admits a lower rate for women it does so on the understanding that women are excluded from any part of the work claimed by the men.†

*Shorthand Notes of Evidence to Committee, Miss Ellen Wilkinson, of the Amalgamated Union of Co-operative Employees, 17/12/18:—

The representatives of the Hosiery Trades Union informed us that, before the war, "women were employed in every department of the Hosiery Trade except in Cotton's Patents (e.g., linking, seaming, and sewing machine). On many machines, owing to their intricacy and delicacy, the women are superior to the men. . . . In Leicester the average wages per week were for men 40s. and for women 33s., girls 13s. to 14s., and young girls 5s. to 6s. (minimum). Under the old system men were paid on time as a minimum 8d. per hour, and women 4d." (Summaries of evidence to the War Cabinet Committee, p. 217.)

† This is clearly brought out in the following cross-examination of the representative of the National Union of Boot and Shoe Operatives:—

"With regard to the question of the employment of women on new machines what do you suggest, when you get a new machine, and a woman is found to be able to work that machine; would you, as the representative of the Union, insist on the male rates for the women, or would you consider that the fact that women could work the new machine proved that the employers were right to give a female rate?"

"A. Such a position has never arisen, because if the machine is in either one of the male departments, it is taken for granted that that is male labour."

"Q. You would exclude the women from that machine then?"

But differential occupational rates for men and women engaged in the same tasks, even when the wage is graduated strictly according to output, have been defended also by economic arguments. The employers have urged that, in particular occupations, the great bulk of women are less efficient than the common run of men, whether from inferiority of physical strength or of trained industrial skill, from worse time-keeping or more frequent absence through illness. It is said, indeed, that three women are often not more than equal to two men; and that this inferiority involves so much more workshop space, so many more machines, such additional superintendence and "welfare work, and such more onerous 'overhead charges'" per unit of output for that part, taken as a whole, of the factory staff which is female, than for that part, also regarded as a mass, which is male. It need not be doubted that, in some occupations, this is broadly true. The greater incidental expensiveness in these occupations of the female portion of the staff does not, however, in itself justify the existence of a male occupational rate and a female occupational rate for the same work. I see no justification for classifying together all the workers of one sex, and subjecting them all to a differential rate. It is admitted that some women are, in nearly all occupations, found to be superior in efficiency to the common run of men; and I can discover no ground for penalising these exceptional women because of the industrial inferiority of the mass of their colleagues. Exactly the same would be true if, in certain occupations requiring brute strength (such as steel smelting) the workers were classified, irrespective of sex, according to whether they were over or below five-feet-five in height, or nine stone in weight. On the argument of greater overhead charges, the employer loses relatively as much in total expenses of production per unit of output when he pays an identical piecework rate to the industrially inferior fifty per cent. of his male workers as to their more efficient colleagues, as he does when he pays for the same work an identical occupational rate to the male and female portions of his staff.

The employer's plea for permission to pay a lower occupational rate to women than to men is sometimes put in the more specious form of a claim to make, from an identical rate, particular deductions when women are the recipients, on such grounds as (a) having to provide the women with extra appliances or with male assistance in particular parts of the task or extra superintendence; (b) having to provide overalls or other incidentals involved in the employment of women; or (c) having to meet Factory Act requirements or the cost of "welfare work." But this, it is clear, is merely the claim to pay a lower occupational rate because the em-

"A. Yes. There was an attempt, when the present clicking machine became a commercial success, by some few firms to introduce women labour, but that was resisted." (Shorthand Notes of Evidence before the War Cabinet Committee, 28/10/18), pp. 16-17.)

ployer chooses to engage for his tasks workers of lower net efficiency in production—a claim that I have already dealt with, and judged to be untenable.

There is a further practical reason why the Trade Unions—as we think rightly—object to any such deductions from the occupational rate otherwise than in certain rigidly defined cases which the Trade Union can control. The employers' deduction for special appliances or assistance,* extra superintendence or Factory Act requirements are, by the nature of the case, always arbitrary in amount, determined by the employer alone, without power or opportunity of verification of actual costs.† It is, in fact, almost beyond the capacity of the most accurate cost-accounting to assess with any precision what percentage of the earnings of each individual in the factory each week is, with an ever-varying total output, equivalent to the expense, partly capital and partly annual charge of an additional dining-hall, "rest-room" and lavatory block; and the assumed additional machinery, assistance and superintendence that the female part of the staff requires and obtains. *Moreover, there is no equity in making all the women as such pay equally for those parts of the extra service which only some of them require.* In practice the employer arbitrarily insists on deducting ten, twenty or fifty per cent. from all the women alike; and to the embittered workmen this seems merely an act of plunder.

In the analysis of the principle of "Equal Pay for Equal Work" it was shown that employers insisted on a lower rate for women on the ground that, when they were equal, or even superior to men in actual output, their labour was worth less because they could not be relied on to cope with an emergency requiring physical strength or special technical skill; or because they could not execute repairs to the machinery with which they were working. Such an argument is put forward habitually in all branches of engineering and other factory work. It was even pleaded, on behalf of the Government, as a reason why the women lift-attendants should not receive the same wages as the men whom they

* In the well-organised cotton industry the women have insisted on making their own arrangements with regard to special appliances or assistance so as to prevent the employer from making deductions from their wages—for instance, the Beamers, Twisters and Drawers in—"both men and women are paid the same rate, but the women pay the men a certain sum each week in order to lift for them, so that the actual effect is that the women's wages are slightly lower than the men's, but the women would rather pay a man that amount and have rather less work." (Shorthand Notes of Evidence before the War Cabinet Committee, 18/10/18, p. 24—representative of Women's Industrial Council and Fabian Women's Group.)

† The fact that a mixed staff may involve greater expense in sanitary accommodation and other requirements than one exclusively of either sex comes under the same head. The extra expense involved in mixing the sexes is a cost to the community as well as to the employer—a lessening of net productivity—which ought not to be incurred unless it is economically advantageous, and for which, if it is economically advantageous, there is neither economic reason nor equity in making *either* sex pay in lower wages.

had replaced, that the women, unlike the men, could not repair the machinery of the lift on the occurrence of a breakdown. The plea lost its strength when at the Arbitration the notice was produced, which had forbidden the men attendants, under dire penalties, ever to touch the machinery of the lift or to seek to repair defects!

It may be suggested that we have, in this notice, the clue to the answer. Either it is essential, or at least desirable, in view of the likelihood or the seriousness of possible emergencies, that all the operatives employed should possess the qualifications needed to deal with such emergencies; or it is not. If it is, then the workers concerned, whether men or women, should be chosen from among those so qualified and paid accordingly. If it is not—the fact being proved by the engagement of workers without such qualifications—then the lack of them cannot be pleaded as a ground for paying a lower rate because any particular workers, whether men or women, do not possess what is demonstrably not necessary for their work.

It must be emphasised that we have received very striking evidence not only from employers but also from some of the Trade Unions, which is confirmed by the testimony of Government inspectors and costing experts, that in certain occupations in which both men and women are employed—notably the gauging, sorting and adjusting of minute components, the running of automatic lathes, and certain kinds of weaving—the average woman produces over a long period a larger output than the common run of men, with greater docility, and a more contented mind, involving less “worry” to the management.* There would accordingly

* “Women for ammunition work,” states the Manager of a Metal Works and National Filling Factory, “are much more suitable than men. . . . They have more delicacy of touch and their fingers are more supple. Discipline and scrupulous cleanliness are difficult to obtain in either sex, but once a woman has acquired these habits she can be relied upon to maintain them. I think that ought to be qualified—with supervision—but they are much more cleanly. Shops where women work are really quite models compared to those where men work. They are very adaptable and train more quickly than men. (Shorthand Notes of Evidence before the War Cabinet Committee, 28.10.18, pp. 63-64.)

Another case of women’s superiority is that of “cleaners.” “In the case of women cleaners on the forecastles of ships in Salford docks,” the Committee was told, “the men were paid 10s. 3d. a day for cleaning, and it is admitted that the women do the cleaning much better than the men; and the women are paid 5s. per day for exactly the same work as was done by the men.” (Ibid, Dock, Wharf, Riverside and General Workers’ Union.) This superiority is confirmed in railway experience. “Every general manager that I know,” said Rt. Hon. J. H. Thomas, M.P., Secretary of the National Union of Railwaymen, “and have discussed this matter with, either officially or privately, have all borne testimony to the tremendous success of the women employed. So much so that a very dangerous situation arose the week before last. Mr. Potter, the general manager of the Great Western Railway, whilst giving effect to the pledge . . . about the re-employment of men back from the war, has interpreted that as not necessarily in the same grade but giving employment in others, and he himself in a letter to me . . . distinctly says that with regard to carriage cleaners the war has demonstrated to the railway company that women make better carriage cleaners than men, and he thought it ought to be developed to that extent.” (Shorthand Notes of Evidence before the War Cabinet Committee, 16.12.18, p. 25.)

seem to be, on the common argument for a lower occupational rate for women, in these cases the same warrant for a lower occupational rate for the men, or for deductions equivalent not only to the greater overhead charges per unit of output involved in their increased requirements in machines, factory space, time and superintendence owing to their masculine clumsiness; but also to the expense and trouble to the management caused by their discontent and occasional strikes. We have, however, not met with any serious suggestion, either from the employers or from the Government—or even from the women—that men in these occupations should receive a lower occupational rate than the women, or should be subjected to special deductions, because of their sex disqualifications.*

But I object to considering only the presumed effect of this or that condition of employment on the employers' profits, or even on the operatives' wages. What ought to be considered, in the main, is the effect upon aggregate production. In so far as the employment of workers inferior in industrial efficiency involves a greater demand in the way of space or time, machinery or superintendence, it represents a loss to the community which is in no way compensated for by the payment to such inferior workers of lower rates of wages. But this is not all. Even apart from the waste of taking up fifty per cent. more machines, fifty per cent. more factory space, and fifty per cent. more superintendence, it is clearly uneconomical for the community to exact the efforts and sacrifices of three women for output which could be produced by the efforts and sacrifices of two men. Hence there is no public advantage, but actually a sheer national loss, in bribing the employer by permitting him to pay lower wages, or to make special deductions from the occupational rate to get his work done by workers in-

* The representatives of the Brass Founders Employers' Association did make the suggestion, but as a *reductio ad absurdum* of "Equal Pay for Equal Work": "I do not think one point has been brought out, and that is that in some work women are far better than men and do it far better, so if the basis is made of equal pay for equal work she should perhaps get more than a man." (The Shorthand Notes of Evidence before the War Cabinet Committee, 17.10.18, p. 23.) Other employers tacitly admitted the superiority of women by their argument that if the women were given men's rates they would reduce their output to that of the men. "In the event of the same time rates being paid the men and women engaged on the same work, it is the opinion of the Soap Trade that the output by men would be reduced to that of the women, and therefore the production of the factories would be very materially curtailed." (Memorandum by the Representatives of the Soap and Candle Trades Employers' Federation: Memo. 63 of War Cabinet Committee, 1918.) This was also the view taken by the Manager of Metal Works and a National Filing Factory: "I think the women will be able to hold their own quite well, but to give them men's pay is a different matter. We probably would not get any more out of them than we get out of the men, because except on physical work men are not so quick as the women. I think they would bring their rate of production down." (Shorthand Notes of Evidence before the War Cabinet Committee, 28.10.18, p. 73.) "As a commercial project," he added, "an equal rate for men and women would not do, because although our women in pre-war earned £1 per week and the Woolwich men earned 25s. or 27s., our women would turn out about twice as much as the men would." (Ibid, p. 66-67.)

dustrially less efficient—whether women or men—so long as any more efficient workers for the task required are available. It is imperative, if we are to get the maximum production out of any given generation, that those who are responsible for the selection of workers, whether by hand or by brain, for the several occupational grades, should be under no temptation to deviate from the rule of getting every task performed by the workers who are, in all respects, the most efficient for the purpose. Only after he has taken on all the less costly workers who can perform the work with the lower expenditure of efforts and sacrifices, and with the least incidental expenses, and with the greater net efficiency, is the employer warranted in resorting to the more costly and less efficient workers, male or female; and then only to the extent that he finds their employment, even with all their personal shortcomings and drawbacks, positively advantageous to him. If their employment is thus advantageous to the employer, and presumably to the community, in enabling the work to be done for which there is a demand, there is no reason why the particular individuals last engaged, whether male or female, should be penalised by deductions which will never be proportionate to their individual shortcomings, which inevitably tend to tempt the employer actually to prefer this less efficient labour, and which cannot fail to imperil the maintenance of the occupational rate itself. There is plainly no equity in seeking to make such deductions only when the demand for additional workers compels resort to women, and abstaining from making them when the demand merely compels resort to ever lower grades of men. The existence and the resolute enforcement as minima, of identical occupational rates, coextensive with the various occupational grades—irrespective of differences of sex, height, weight, colour, race or creed which are demonstrably not coincident with differences of individual proficiency—is therefore absolutely a condition of maximum production. The existence within any one occupational grade of higher and lower rates of wages, or of special deductions which make it equally profitable to the employer to engage at the lower rate, or with the deductions, workers of relatively inferior efficiency—and, as must inevitably happen, sometimes in the employer's opinion, even more profitable—is accordingly positively inimical to maximum production. The proposal to allow a lower occupational rate, or exceptional deductions from that rate, for women than for men engaged in the same occupational grade must therefore be definitely condemned.

The same argument, in my opinion, condemns the idea of differentiating in the prescribed conditions of employment, notably as regards sanitation, amenity, and hours of labour, between men as such and women as such. Factory legislation has secured many advantages to the workers, and has thereby greatly increased the national output; but in so far as these advantages have been

restricted to particular industries, particular localities or a particular sex, the benefit to national productivity has fallen short of what it should have been; and there has been an incidental result of adverse character in the temptation afforded to employers not to choose the course that would have been economically the most advantageous for the community as a whole. I note with concern that my colleagues in their report advocate an extension and elaboration of the regulations of the Factory Acts in the case of women only; and advise that such provisions should be inserted in the consolidated Factory Act that is now overdue. I think, on the contrary, that the consolidation of the Factory Acts should be made the occasion of sweeping away all special provisions differentiating men from women. These special provisions arose during a period when the male Trade Unionists objected to having the conditions of their employment regulated by law. This objection has entirely ceased, and the male Trade Unionists are, on the contrary, now pressing for more stringent legal regulation of their own conditions than are at present incorporated in the legislation applicable to women. I see no reason why, in the interest of the community as a whole, the prescribed national minimum with regard to sanitation and amenity in the factory, with regard to the provision of medical attendance, and with regard to securing a due proportion of each twenty-four hours for rest and recreation, should be any lower or any different for workers of one sex than for workers of the other.

It may be urged that there are certain processes of industry, and even certain occupations, which are specially injurious or dangerous to persons of the female sex. I should hesitate before accepting this view. The officials of the men's Trade Unions often represent that such and such an occupation is "unfit for women" merely on the ground of its danger.* Medical practi-

* Thus, the representative of the Amalgamated Society of Dyers and Finishers urged that women should be excluded from "wet processes in cotton warp and hank." "I can give you some cases of illness that we had to deal with some two or three years back in Scotland . . . where women worked in what we term bichromatised soda, and we have had them photographed, and there was going to be a libel action by a certain company, and I do not know what they were not going to do with us. Of course we did not run away; we had sufficient evidence. Their arms were absolutely eaten into with big festering sores. We have the photographs to-day. That, to a certain extent, goes on yet. . . . While that is very detrimental to men it must be doubly so to women, and it is not a process for women to work in at all. Their arms are immersed in this solution. They wear gloves and armlets. Once people contract this disease it never leaves them. At certain times of the year it will break out afresh. I know men who had it 30 years back and they have it to-day. . . . It generally starts in the wrist and spreads up, and it is deadly. In another firm, Burgess, Ledward and Co., Walkden, where women have been put to work of turning stuff over in the cisterns, out of at least 150 women who have been started, not more than a dozen have been there throughout in that dyeing house department." (*Ibid.*, 15.11.18.) There is here no reason given why the men should be subjected to such conditions any more than women. The employment of women as shunters on the railway was similarly objected to. "The rate of mortality amongst men shunters is 1 in 19 killed and injured, and the risk is altogether too great, and we felt that it was on every ground work which could not legitimately be expected from women.

tioners, usually men, have sometimes put forward a similar plea. But unless it can be shown that the danger is inherently and universally greater for women than for men, there seems no reason why any sex restriction should be imposed. What the community has to do for dangerous occupations is to take care that all possible means are employed to reduce the danger to a minimum, and to provide full compensation for the victims—leaving then the occupation open so far as the law is concerned to such individuals of either sex as chose to engage in it.

There may conceivably be processes which are specially injurious to persons of the female sex, warranting some special provisions with regard to them. The chief case is that of working in lead, where it is said that women are specially susceptible to lead poisoning. I do not feel sure that what has been proved is a special susceptibility of the female sex, or a special susceptibility of particular individuals. The experience during the war with T.N.T. and other poisonous substances leads me to the inference—and this is the suggestion of women doctors who have served as medical officers of factories—that what is called for is not the exclusions from work of all persons of one sex, or even the subjecting of them to special restrictions, but the minute, careful and persistent observation, by the medical officer of the factory, of the health and diathesis of the individual workers irrespective of sex, and the application of such special precautions, such restrictions and even such exclusions as may be called for by the proved susceptibility of the several individuals affected, whether they are men or women.

THE PRINCIPLE OF ADJUSTING MONEY WAGES TO MEET INCREASES IN COST OF LIVING MUST BE ACCEPTED.

The need for deliberate and systematic revision of rates of wages, so as to secure their rise proportionately with any substantial increase in the cost of living, has been proved, not only by the experience of war time, but also by that of the previous years between 1896 and 1913. When prices rise, money wages lag behind, and move upwards both more tardily and to a smaller degree. The case is aggravated by the fact that the failure of wages to follow prices is most marked, both in respect of date and in that of amount, among the least organised and the worst paid sections of the wage-earners, and notably among women. The result of there being no systematic and deliberate revision of money rates of wages in correspondence with a rise in the cost of living is, as was seen in the fifteen years preceding the war, on the

. . . . The same principle was applied by one company attempting to employ them as signal women taking their place in a signal box." (Ibid, 16.12.18.) Whatever ground there may be for preferring men to women in railway work, the danger of the occupation appears to furnish a reason less for the exclusion of women than for the taking of proper precautions to safeguard the workers, whatever their sex.

one hand the spread of labour unrest, and an outburst of strikes among the stronger sections, and, on the other, the reduction of the standard of life among the weaker sections, notably among the women, with a spread of the morass of "sweating." It is plainly essential in the public interest that there should be some provision for promptly, adequately and authoritatively raising all wages, whether of men or of women, in correspondence with any substantial increase in the cost of living.

Assuming that occupational rates and the national minimum are universally placed at an adequate level, there would be great advantages in the ascertainment and periodical declaration of an official index number expressing the current retail prices of all the principal commodities and services entering into the normal standard of life of all grades of persons co-operating in production. Such an index number should be strictly confined to the prices of commodities and services of identical quantity and quality; and should not be affected by the greater or less savings of particular families, which may lead to their actual expenditures rising or falling. Once the national minimum and all occupational rates have been placed at an adequate level, I see no objection to money rates of wages being universally lowered, as well as universally raised, in exact correspondence, quarter by quarter, with any substantial change in the index number. At the same time it must not be assumed that no other changes in wages and salaries, apart from alterations in the cost of living, will need to be made. Wages and salaries must be regarded, not as part of the cost of production, but as shares in the net product of the nation's industry; and, far from being stereotyped at the level of the cost of living, they should be regarded as rightly destined to be increased, within no other bounds than that set by the net product itself, with every advance in the nation's prosperity.

Unfortunately, we cannot assume that either occupational rates, or any national minimum likely to be assured to the manual workers or minor professionals within the near future, will be at an adequate level; and it will, therefore, be to the national advantage that any decline in the cost of living during the next few years should not be accompanied by any decrease in money rates of wages, more especially in all the lower paid grades, to which the majority of women workers belong. The maintenance, as a basic minimum, of the existing money rates should, at any rate, in all grades below £3 per week—he insisted on.

THE PRINCIPLE OF DETERMINING WAGES BY FAMILY OBLIGATIONS MUST BE REJECTED.

It has been shown that this principle of determining wages by family obligations has not been adopted in industrial enterprise. In some occupations the rates of wages for men have been, for long periods, demonstrably insufficient for the full maintenance of

a wife and even the smallest number of children at the lowest possible level of subsistence. In more fortunate trades, where the standard rate may be sufficient to keep a family, the unmarried man does not receive something less than the standard time wages because he has fewer responsibilities than the married men; nor does the childless man get less than the father of a large family. In so far as the matter is left to unfettered individual competition, or to collective bargaining, the employers in any industry, taken as a whole, pay to the several grades of men whom they employ only what they are compelled to pay by the relative "supply and demand" of labour of the kind required at the particular time and place, or according to the standard rates for whole classes of labour that the Trade Unions have been able to enforce.* The idea of varying the piece-work rate of different men in the same workshop according to their several family responsibilities never enters the head of any employer. "If I go to work as a carpenter in London," remarked one of our Trade Union witnesses, "it does not matter whether I have ten children or none; I get the same rate; they do not ask me how many children I have got. They engage me as a carpenter, and if I were an engineer, they would engage me as an engineer; they do not put my wages down according to the family I have got." When an advance of wages is sought by the men, and the argument is used that the advance is called for by a rise in the cost of living, it never occurs to the employers to reply that this rise may justify an advance to the fathers of families, but that the bachelors and childless men, having, it is assumed, lower living expenses, have a much weaker case, and should, therefore, be excluded from the advance. No Trade Union would, for a moment, listen to any such contention; and rightly, because it cuts at the root of the principle of the standard rate of remuneration for effort. The employer has no knowledge of what may be the several responsibilities of his employees, whether men or women; and in the matter of wages he has no concern with them. He is not normally entitled to get his work done at a lower rate by one operative, because that operative happens to have fewer responsibilities, than by another, who happens to have more; and the employer would certainly refuse to pay a higher rate for the work done, merely because the operative whom he had engaged for the task happened to have an exceptionally large family. Any such differentiation would be, moreover, in flat contradiction of the principle of collective bargaining and the occupational rate; nor would it correspond with the results of the higgling of the market, any more than with variations among individuals in industrial efficiency or advantageousness to the employer.*

* It is commonly assumed by the economists that the earnings of labour must, on an average, suffice to maintain not only the workers themselves, but also the number of children required to keep up the supply of labour. This, however, applies only

But though the principle of determining wages by family obligations has not been carried out in fixing the wages of men, the argument in favour of a lower national minimum and lower occupational rates for women than for men has been largely based on the assumption that women as a class have no family obligations. As a matter of fact, the proportion of males over 18 in industry who have a child or children is estimated, taking the kingdom as a whole, at not more than 50 per cent.; whilst the proportion of adult women who have one or more children (and sometimes also a sick husband) to maintain probably reaches half as much. The existence of family obligation fails, thus, to support the plea for a male rate and a female rate.

The leading case of fixing a rate lower for females than for males is, of course, the teachers' scale of salaries giving different rates to men and women respectively, avowedly on the ground that men have family obligations. How hypocritical is this plea is seen from the fact that, whilst no married teacher is ever given any addition to his salary because he has more than an average family to maintain, the teacher who remains childless receives continuously no less than his colleague who enriches the State with children; and the woman, who is sometimes a widow supporting her children, and still more often a spinster for whom the prospects of marriage are statistically small, are alike paid at rates markedly below those given to the male teacher who obstinately remains a bachelor. I see, therefore, no ground for differentiating wages according to family obligations; and certainly no justice in making this the basis of any differentiation between men and women as such, irrespective of their family obligations.

THE PRINCIPLE OF THE VESTED INTEREST OF THE MALE MUST BE REJECTED.

It will not be seriously argued to-day that we can maintain what we have called the vested interest of the male, in so far as it demands the exclusion, from any occupation whatever, of persons who prove themselves to be competent at the work. It is not only that the exclusion of women, as women, from any occupation into which they seek an entry is a restriction on the liberty of more than half the population. Any such narrowing of the field of selection, and any such limitation of choice of occupation, necessarily detracts, to an unknown degree, from that utilisation to the fullest extent of every available talent upon which maximum productivity depends. There is no ground whatever for any deliberately imposed exclusion or inclusion with regard to any occupation what-

to the wage-earning community as a whole, and "in the long run." It is never asserted by the economists as being necessarily true of any particular trade, which may be, and in fact nowadays always is, recruited partly from the children of parents employed in other trades, or in other localities. It cannot therefore be taken for granted even "in the long run," that the wages in any trade must be sufficient to pay for the maintenance of the number of children required for its recruitment.

ever of a whole class, whether marked out by sex, height, weight, colour, race or creed. Any such artificial eligibility or ineligibility by class necessarily involves unfairness to individuals. There can plainly be no warrant for any other ground of selection or exclusion, whether in manual working occupations or in the brain-working professions, in capital enterprise or in the public service, than the aptitude and fitness of each individual.

THE PRINCIPLE, WHEREVER PRACTICABLE, OF A DEFINITE QUALIFICATION FOR AN OCCUPATION MUST BE ACCEPTED.

We have seen that the principle of requiring a qualification or certificate of competency for a candidate for employment has been increasingly adopted for brain-working professions, and it is to be noted that there is a similar desire to insist on qualifications on the part of the skilled Trade Unions. I regard this principle of qualification for employment as a valuable one, and one which should be extended, wherever possible, both to the workers by hand and brain. I look forward to the time when all occupations will have become "professions," in the sense that they will require a definite technique.

We have already noticed the advantage of the insistence on some specific qualification in hindering favouritism or jobbery in filling vacancies, in promoting the selection for each post of the fittest candidate, and in ruling out the competition of persons of less competence who seek to commend themselves by offering to serve at less than the current occupational rate. There is no reason why the principle should not be extended to all brain-working occupations, notably to those connected with the organisation and management of agriculture, manufacture and commerce. The conspicuous lack of technical efficiency that we see prevailing among many farmers and not a few of those responsible for other industries necessarily leads to the enquiry why anyone should be permitted to direct or manage the nation's land, or its coal mines, or its industry, without having proved his technical competence, any more than he is permitted to engage in medicine or law, or in mining engineering or the navigation of a merchant ship. I see no reason why an analogous requirement should not be extended to all manual occupations, admission to which, and eligibility for the occupational rate, should be as much dependent on evidence of a prescribed minimum of technical proficiency as in other vocations. I regard this principle of qualification as of great national importance, not only by its exclusion of absolute inefficiency, but still more for its influence in concentrating competition on personal efficiency, and above all, for its effect in raising the self-respect of each section or grade. It would give an incomparable stimulus to the youth or maiden to take advantage of every opportunity for technical training and general education. No section would be more benefited than the women. The fact of

a specific qualification being required of the adult woman, as a condition of admission to every eligible employment, would remove the lingering reluctance of parents to give as much care to the education and training of daughters as of sons; and would go far to dispel the unfortunate tendency of the girls to regard their industrial employment as merely a temporary phase, to be promptly given up on marriage, and therefore to be contented with the wage of an unskilled worker. It need hardly be said that a woman does not make a more efficient wife and mother by having been an inefficient factory hand; nor will she be the less efficient as a housekeeper and parent because she has had the advantage of some specific training. An incidental advantage of the exacting of qualifications will be the discarding of such obsolete forms of training as the seven years' apprenticeship, which are apt to linger only as methods of arbitrary exclusion in protection of the interests of particular sections.

It may be feared that exacting of qualifications for admission to particular occupations will be used to create new vested interests and artificial monopolies. But, as a matter of fact, experience shows that the institution of a publicly required qualification, which must necessarily be made open to all-comers, and the acquisition of which cannot practically be limited to any prescribed number or class of persons, is the best way of preventing the institution and maintenance of sectional and often unavowed restrictions on entrance. A series of examinations, based in the main on practical tests of efficiency, physical, no less than mental, conducted under public authority by representative joint committees of the persons actually engaged in the occupation, together with education experts, open to all-comers irrespective of sex, creed, class or previous training, would afford to the community alike the best guarantee of efficiency and the best safeguard against the dominance of existing vested interests; and to the rising generation the most valuable stimulus to self-improvement, in which women would specially benefit.

THE FORMULA OF "EQUAL PAY FOR EQUAL WORK" MUST BE REJECTED, BUT ONLY BECAUSE OF ITS AMBIGUITY.

We have seen that this formula has no precise meaning and is diversely interpreted by the persons concerned as (1) equal pay for equal efforts and sacrifices; (2) equal pay for equal product; (3) equal pay for equal value to the employer. Hence any adoption of the formula would lead to endless misunderstandings between employers and employed, and increased industrial friction. The first interpretation of it—equal pay for equal efforts and sacrifices, measured by some convention of time or task—amounts, as we have seen, merely to what has been called the National Minimum, and the Occupational or Standard Rate upon a time-work basis. The second interpretation—that of "Equal Pay for Equal

Product"—can only be put effectively into operation by the adoption of piecework or some equivalent method of payment per item of output. When such piecework rates are (as is the case in the great industries of mule-spinning and cotton-weaving) embodied in standard lists of prices, determined by collective bargaining, interpreted jointly by the expert officials of the organisations of employers and employed, and safeguarded by a stringent prohibition of all time-work or alternative methods of remuneration that might let in individual bargaining, they become merely occupational rates such as we have proposed, yielding to the common run of the workers employed at least a predetermined weekly income corresponding with the accepted standard of life.* Much the same may be said of the arrangements in those industries in which the piecework prices, or other forms of payment per item of output, are determined, case by case, by collective bargaining, not left to individual bargaining, and safeguarded by a guaranteed common minimum weekly wage secured to each operative retained in employment, whatever his or her output. Here, again, we get something which amounts only to the occupational rate. But in any industry in which the piecework prices, or the rates in other systems of payment by results are not thus determined and safeguarded—thereby becoming virtually what we have called occupational or standard rates, "Equal Pay for Equal Product" plainly amounts to no more than a system of individual bargaining in the higgling of the market; and inevitably results in the emergence of a "Man's Rate" and a "Woman's Rate" not corresponding with or proportionate to any differences in output. As has been already described, the employer finds no difficulty in evading the payment to the women of the same piecework prices as to the men, either by keeping the women on time-work or by "degrading the job," so as to prevent the women from claiming rates identical with those of the men; or else by taking advantage of the large mass of unorganised women to lower the rates by individual bargaining with the female portion of his staff. The changes or differences are often trivial. "If the slightest change is made in the method of production," stated the representative of the General Workers' Union, "you have no means of comparing them; if somebody comes and oils a bearing you cannot compare like with like because there is assistance given. I had that done for me by a labourer many times, and the sensible thing to do. The employer or the manager or the foreman or the workman

* So much is this the case that it is, in the cotton industry, a recognised practice, accepted by the employers' organisation, for an employer whose machinery is old-fashioned or badly run, or who supplies defective material, so that the operatives cannot, at the prescribed List of Prices, make the standard weekly income, to find himself required, by the joint decision of the expert officials of the Trade Union and the Employers' Association, to pay for the lessened output actually at a prescribed percentage above the List of Prices, in order that the operatives may not be the losers by the relative inefficiency of his business.

sometimes insists that something shall be done, and it is so difficult to prove like with like. One case we lost recently was the case of a man who had oiled two bearings and had put grease on another bearing which supported a shaft. . . . We were told that we were not doing equal work because somebody had oiled that."*

The third interpretation—Equal Pay for Equal Value to the Employer—whether secured by lower time or piecework rates to any members of a staff engaged on similar work (usually the women), who are alleged not to be as profitable to the employer as some other members of that staff, or by making deductions from such rates in respect of the alleged individual shortcomings of such inferior portion (again usually the women), has been already sufficiently dealt with and shown to be inconsistent with the effective maintenance of any rates at all.

A similar criticism applies to the ideal which the Paris Conference is formulating for the guidance of the International Labour Conference of the League of Nations. To say that "equal pay shall be given to women and to men for work of equal value in quantity and quality" is, unfortunately, to evade all the difficulties and encourage all the evasions. Is the "equal value"—say of the piece of cloth produced—to be computed according to its value to the ultimate consumer, or to the profit-making employer, who has to consider differential overhead charges, or to the community, which needs to consider the relative efforts and sacrifices imposed on the producers? I cannot but think that the phrases that my colleagues use in the Majority Report of this Committee are equally ambiguous. In their opening definition they declare "that women doing similar or the same work as men should receive equal pay for equal work in the sense that pay should be in proportion to efficient output." But does this refer to identical work only, or to work that is not identical; and is the efficiency to be tested by the quantity or quality of the product, or by the time taken, or by the amount of space and plant required? When I look for light in their fourteen elaborate resolutions, I find only confusion. They declare, for instance, "that in every case in which the employer maintains that a woman's work produces less than a man's, the burden of proof should rest on the employer, who should also have to produce evidence of the lower value of the woman's work, to which the fixed sum to be deducted from the man's rate for the particular job throughout the whole of the industry should strictly correspond." How can a deduction to be made throughout the whole of the industry correspond, strictly or otherwise, with evidence of the lower value of the work of one particular woman? I defy any Trade Union or any Employers' Association to work out a list of piece-work prices or time-rates according to this rule.

* The Shorthand Notes of Evidence given before the War Cabinet Committee on 15th October, 1918, p. 45.

THE DEVICE OF PROFIT-SHARING MUST BE REJECTED.

We have now three-quarters of a century of experience of profit-sharing schemes initiated by individual employers in all sorts and kinds of industries, with little encouragement to those who have believed in this principle. The schemes have seldom been long-lived; some of the more ambitious of them have been peremptorily rejected after a short trial by the operatives; more of them have been continued against the will of the Trade Unions concerned, whilst others have been introduced amongst unorganised workers. The objection of the operatives has been manifold. The employers' schemes have very generally been regarded as lacking in candour and honesty, as they always involve the securing of a prescribed interest on a nominal capital, in the verification of which the wage-earners have no share; and also the liberty, before sharing profits, to pay salaries of managers, fees of directors, charges for development of the enterprise, allowances for depreciation and allocations to reserve funds over which the wage-earners can exercise no control. Moreover, the profits in which the manual worker is invited to share, in order to stimulate him to greater exertion, are, for the most part, not dependent either on his exertion or his fidelity. In practically all business enterprises to-day the profits depend, to an enormous extent, on success in buying the raw material, on skill in disposing of the product, on the advantageous location and planning of the factory, on its up-to-date equipment, and on the efficiency with which it is managed—all these being factors in which the wage-earners are permitted no interference or control. To make the manual workers' share of profit dependent on all the variations of management is to urge them to greater effort without any assurance that it will meet with any reward. But the wage-earners' objections to profit-sharing are more fundamental. Profit-sharing, in practice as well as in theory, is inimical to the conception of occupational rates. For the operatives in particular firms to be remunerated partly by a varying share of profits, even if these are always additional to the standard rate prevailing throughout the whole trade, necessarily tends to lessen their interest in maintaining and advancing that standard rate; and tends therefore to weaken the influence of the trade as a whole in the collective bargaining for which a universal adhesion to the standard rate and other common rules is deemed indispensable. To meet this last objection, that the profit-sharing schemes of individual establishments are hostile to the maintenance of a standard rate and to control by the Trade Unions, the employers have, as we have mentioned, lately put forward the principle of collective profit-sharing. But there are the same sort of objections to these collective schemes as to the individual schemes of profit-sharing. The Trade Union, even if it is represented on a joint board, can have no voice in the management of the several concerns in the buying of raw material or the

selling of the product. Moreover, the profits to be shared are only to be what remains after a prescribed rate of interest has been paid on a nominal capitalisation, all the employers retaining their rights to decide what shall constitute the capital of each concern, and what part of the income shall be set aside for depreciation.

But the wage-earners object to the whole idea. They do not wish to participate, with their livelihood, in the ups and downs of commercial profit. It is one thing for the capitalist, whose daily house-keeping is not thereby affected, to engage, with his capital, in the gambling of business enterprise. It is quite another thing for the manual worker, the maintenance of whose wife and children is at stake, to make his scanty income rise and fall according to the chances of trade. Finally, the wage-earners, as a class, have a growing objection to the very making of profit, as an undesirable motive for the conduct of industry.

THE PRINCIPLE OF LIMITING WAGES BY REFERENCE TO FOREIGN COMPETITION MUST BE REJECTED.

There is no reason why the mere fact that the employer finds a difficulty in placing his wares in an open market at the same prices as those of his competitors should lead to the inference that the rates of wages of the manual workers should be reduced. There is the alternative of reducing the salaries of the management and clerical staff, or the profits of the shareholders. Moreover, there are the other alternatives of lowering the cost of production by the introduction of more efficient machinery, the reduction of the establishment charges or the expense of the selling agency, the better organisation of the business or its conduct on a larger scale, or, finally, the application of greater managerial ability. There seems no justice in expecting the manual workers, who are allowed no opportunity of deciding how the industry should be run, to pay in lower wages for the relative inefficiency of the employers and managers. If any particular concern cannot keep its head above water, in competition with others, it is better that it should go out of business and let its share pass to other concerns more favourably situated, better equipped or managed with superior ability. The same aggregate volume of employment will be provided whether all the business is concentrated in the most efficient establishments or dispersed among all those that have entered the trade with very varying degrees of commercial efficiency. To seek to bolster up the weakest concerns by enabling them to get "cheap labour" is really to militate against maximum productivity.

But it is of course objected, often incorrectly, that the competition apprehended is not between one British concern and another, but between all the British concerns in a particular industry and those of other countries, leading either to a cessation of a particular export trade, or even to the introduction of foreign wares into the home market. Here, again, it may be observed that there seems

no reason why it should be the manual workers who should be made to pay for British inferiority of machinery or equipment, British extravagance in establishment expenses, British inability to organise industry on the most economical scale; or British desire for large profits. It has repeatedly been pointed out that it is not the rate of wages that determines the cost of production, but the labour cost of the product; and that this is dependent far more on the manner in which the industry is organised than upon the rate of wages. As a matter of fact the most serious competitors of British manufacturing industries are not the countries in which the level of wages is low, but those in which it is relatively high, often higher than in this country. It was the relatively well-paid labour of Germany—it is to-day the exceptionally high-paid labour of the United States—that produce the commodities which competed with our manufacturers for the home market, or by which the growth of our export trade in neutral markets is most imperilled.

The manufacturer harassed by competition is, we venture to think, seldom able to take an accurate view of the position. He is keenly aware that he is being undersold, but he is not implicitly to be believed when he declares that it is foreign competition which is at fault, or the competition of this or that country, or the low rate of wages which is being paid in that country. More often than not it is to another manufacturer of his own country that his trade is passing, and statistics prove that whilst his own sales are dwindling, those of British manufacturers in the aggregate are increasing. Even when the whole British export of a particular commodity to one foreign country is falling off, it will be found that the aggregate British exports of that very commodity to all countries are growing year after year. The plea of the employer that without cheap labour he will lose his export trade is—as the trade statistics of the past generation abundantly demonstrate—in most cases only a confession that he is being outstripped in efficiency, not by foreign, but actually by British competitors in his own industry.

There are, however, cases in which articles produced in this country at a lower cost than in other countries gradually lose that advantage, owing—as it may confidently be said in every instance—not to any reduction of the rate of wages in those countries, but to some improvement in the processes, the organisation or the skill of their manufacturers. It is then often suggested, in order to maintain the advantage which the British manufacturers are losing—not that a corresponding improvement should be made in the processes, the organisation or the skill of the British manufacturers, which would lead to a genuine lowering of the cost of production, but that the manual workers should submit to a reduction of their wages rather than lose the export trade. Here, again, there is neither justice nor reason in the plea. There is no ground for asking the manual workers in a particular industry to

accept a lower rate of wages than is customary in other industries in the same country, merely because the employers in that industry cannot compete with those of foreign countries. If a particular industry cannot be carried on in this country at the rates of wages customary in this country, in such a way as to compete with production in other countries, it is better for this country, including the manual workers, that such an industry should be abandoned to the other countries. Any industry that can be maintained in this country only at the cost of "sweating" is an industry that we are better without.

What restrains people from whole-hearted acceptance of this view—which few persons venture to deny—is a fear lest what may be true of this or that industry may be true of industry in general. It may be, such persons feel, not one branch of one export trade that this country may lose by its relatively high cost of production (which is assumed, quite incorrectly, to be nearly the same as high rates of wages), but all its export trade. It may be not this or that commodity of foreign manufacturers in our home market, but all foreign commodities.

Such fears, the economists tell us with rare unanimity, are groundless. There is no possibility of this country both continuing to import foreign products, whether foodstuffs or exotic luxuries, raw materials or manufactures—and for this purpose it matters not how our imports are made up—without our exporters finding it profitable to export other commodities of our own production to the full equivalent of our imports. There is, indeed, in the long run, no way of paying for imports except by exports (including such services as may be rendered by shipping, or in banking or insurance). What is at stake is, to put it briefly, not our export trade, but the particular commodities of which it will be composed. What determines the selection of commodities to be exported is not the actual relation of the cost of production of each of them to the cost of production of the same article abroad, but the comparative cost of these articles among themselves. If in one commodity we have an advantage over other countries of 10 per cent., in another of 5 per cent., and in another of 2 per cent., our export trade will be made up to a prepondering extent of the first commodity, to the neglect of the second, and still more of the third. To put an extreme case in the other direction, it is conceivable that a nation may go on exporting—each transaction yielding a profit to the exporting firm—even if it stands at a disadvantage with regard to cost of production in all its output of commodities, provided only that the disadvantage is unequal. If in one commodity it is at a disadvantage of 2 per cent., in another of 5 per cent., and in another of 10 per cent., the whole export trade will tend to be concentrated on the first commodity, in which the disadvantage is least, to the neglect of the others. The rates of exchange and the level of prices will shift to the extent necessary

to enable the exporting firm to sell this commodity abroad at a profit, notwithstanding its production at 2 per cent. higher cost than in the country to which it is sent.

Thus, the fear that, because this or that manufacturer of this or that commodity finds himself unable to compete with foreign producers, Britain must be losing its export trade, is founded upon inadequate knowledge of the facts. Certainly the manual workers generally need be under no apprehension that a rise in the standard of life in this country, expressed as it may be in a higher level of wages throughout British industry, will result in a falling off of our foreign trade. And this has long been the judgment of the economists. "General low wages," said John Stuart Mill, "never caused any country to under-sell its rivals; nor did general high wages ever hinder it from doing so."*

It follows that to attempt to bolster up an imperilled export trade in a particular commodity by seeking to lower the rate of wages paid for its production, or by striving to prevent such a rise in wages as will place these manual workers on a level with their fellows in other industries, is not justified by any argument as to the maintenance of British trade as a whole. To give to any particular industry the doubtful boon of "cheap labour" may enable more and more of the commodity which it produces to be sold at low prices, whether at home or abroad; but these sales are only to the detriment of other commodities, produced under better wage conditions, of which the output will then be progressively restricted.†

I RECOMMEND THE ADOPTION OF A NEW PRINCIPLE, NAMELY THAT OF A CLOSER CORRESPONDENCE OF OCCUPATIONAL RATES TO RELATIVE EFFORTS AND NEEDS.

I do not think that the adoption of the principles that I have so far suggested, namely, those of the national minimum, occupational rates, the adjustment of money wages to the cost of living, and the requirement of qualifications wherever practicable,

* *Principles of Political Economy*, Book III., Ch. XXV., Sec. 4 (p. 414 of 1865 edition).

† We had cited to us an instance in which this diversion of manufacturers from a well-paid to a badly-paid industry could be definitely traced. "To take the case in the Cotton Industry of the Ring spinners and Mule spinners. The Ring spinning as you know is a woman's trade. I am told by the secretary of the Card and Blowing Room operatives that it was simply an accident it was a woman's trade and not men's, and because it is a woman's trade it is paid just about half the rate of Mule spinning. The consequence is that all the energy of development and expansion of the trade is thrown on the Ring spinning side of the industry and capital tends to follow cheap labour and capital tends to go into Ring spinning as against Mule spinning. The number of Ring spinners have increased within the last generation at a greater pace than the number of Mule spinners. Indirectly, I think it tends to drag down the men's trade, and I think it is the competition of Ring spinning which interferes with Mule spinners to some extent—anyhow shortening their hours and reducing the speeding up." (Evidence of Mrs. Drake, Women's Industrial Council, 18.10.18.)

will suffice either to prevent unrest or to secure stability. In the last section of Chapter I. I referred to the chaos in which the relative earnings of individuals and classes had been left by the war. This chaos was not the creation of the war, or of the Government pledges, however much it may have been increased thereby. Already prior to the war various sections of the manual workers had notoriously secured rates of wages which, though not in themselves necessarily excessive, were out of proportion to those obtained by other sections, even when allowance was made for differences in efforts and needs. The divergence between customary female rates was only one example of the chaos, and was itself paralleled by the divergence between the majority of occupations classed as skilled and those classed as unskilled, irrespective of sex. Even in exclusively male occupations which were definitely "skilled," we had such extremes as the steel-smelters earning ten times as much as the agricultural labourers. The embittered demarcation disputes between men of different occupations, and the obstinate maintenance of the vested interests of particular classes of operatives—including what has been called the vested interest of the male—are very largely to be ascribed to the existence of these discrepancies between earnings, irrespective of any corresponding differences in efforts and needs. Hence, it seems that the problem is not to be solved merely by an adjustment of the relative rates of wages of men and women respectively. Men and women in industry are, in fact, ceasing to be distinct classes, even if they ever were, and are more and more becoming merged in the armies of the skilled and the semi-skilled, each of them divided into numerous sectional grades. The great majority of the organised women workers are members, not of women's Trade Unions but of Trade Unions common to both sexes, either "skilled" or not. It is already plain that the internecine struggles of the Trade Union world will take the form, not so much of conflicts between men and women workers, as of the rivalry between the sections classed as skilled and those classed as "semi-skilled," largely irrespective of sex. It appears to be indispensable, alike to stability and to the prevention of unrest, that the chaos of earnings should be reduced to some sort of order. There is now a widespread recognition of the paramount importance of providing for needs. The physiological needs of adults may differ according to the character of the work—the steel-smelter, for instance, may require more food than the agricultural labourer—but no worker needs ten times as much food as another. The housing requirements of various sections of workers may differ; but the essentials of a home, including a suitable environment for the next generation, are common to all families. Democracy implies a common standard of education and manners. I conclude, therefore, that the basis of any general adjustment of occupational rates must assume the form of a closer correspondence of the several rates to the efforts and needs of the various sections.

It is, I think, clear that any such general adjustment of occupational rates, so as to bring them more in proportion to efforts and needs, could not be confined to the manual workers. There are large classes of brain-workers, among whom may be cited teachers, clerks, scientific workers of all kinds, ministers of religion, and minor officials in the Public Departments or under Local Authorities, whose salaries and other earnings equally need adjusting in order to permit of the maintenance of their standard of life. Moreover, in view of the growing demand for a greater measure of equality in the earnings of the different sections of the community, with due regard to differences in efforts and needs, I suggest that it will prove impossible to enter on any such enquiry without including within its scope the incomes of the learned professions and those obtained by the managers and directors of business enterprises.

CHAPTER III.

SOME CONSIDERATIONS ARISING OUT OF THE PRINCIPLES RECOMMENDED.

We have seen that the chaos into which the rates of wages have been thrown during the war renders necessary a reconsideration of the principles upon which the rates are determined, not merely as between those of women in relation to those of men, but, substantially, as between all grades and sections of workers. We have no ground for making sex a reason for differentiation in the conditions of employment any more than race or creed. Women, like men, are for the purposes of industry, not a homogeneous class, and whilst the majority of one sex excel the majority of the other in particular qualities making for efficiency, this is true of both sexes—it cannot be said that men are in all respects superior to women, or women to men—and, what is more important, there are in each case individuals of one sex who are distinctly superior in productivity to the majority of the other. Thus, there is no justice in, and no economic basis for, the conception of a man's rate and a woman's rate. The community has learnt from dire experience that wages cannot, without disaster, be left to individual bargaining in the higgling of the market; and we have seen that what has to be adopted is the principle of the national minimum as the fixed basis, with occupational rates enforced as a necessary condition of employment of all persons engaged for specific occupational grades. The national minimum and the various occupational rates, so far as expressed in terms of currency, should be automatically raised by percentages with each appreciable increase in the cost of living. There is no reason for respecting the vested interest of the male in particular occupations any more than other vested interests, and it has been sug-

gested, as an alternative, that there should be an extension of the practice of requiring, from every aspirant to employment in particular occupational grades, a prescribed technical qualification, which should, of course, be open to attainment irrespective of sex, race or creed. I recommend, for the re-adjustment of earnings which the existing chaos makes necessary, the adoption of an additional principle of general application, namely, that of a closer correspondence of occupational rates with relative efforts and needs.

We have now to examine the implications of the principles recommended. We need to trace the effect of their adoption upon individual liberty in the choice of occupation. We must forecast the result on the employment of women and men respectively, and on their liability to unemployment. No less important is their probable effect on the employment and the training of young persons of either sex, and of the relatively inefficient. We need to consider how far the necessarily diverse family obligations of individuals can be met by any system of remuneration for work, and what practicable alternative can be suggested. Finally, we have to deal with the principle of a closer correspondence of incomes with effort and sacrifices, without the adoption of which we shall scarcely be able to reduce the present chaos to order.

THE EFFECT ON LIBERTY.

We have to note, in the first place, the significant effect of the enforcement of uniform rates (as minima) in maximising individual liberty. Just as a strict observance of the rule of the road, whilst putting limits on the potential action of any one person, secures to all users of the road, taken together, a larger freedom than they could possibly enjoy without the rule, so the strict enforcement of uniform minimum rates, without differentiation of sex, height, weight, colour, race or creed, affords *in the aggregate* to all the individuals in the community the maximum of personal freedom in the choice of occupation. When the occupational rate is accompanied, as I suggest that it should be wherever practicable, by the general requirement, from all aspirants to employment in each occupational grade, of suitable technical qualifications to ensure at least a prescribed minimum of efficiency, this enhancement of individual liberty is further increased. But this is on the assumption that every one counts as one and only as one, with "equal rights to life, liberty and the pursuit of happiness"; and on the further assumption that the sole measure of the right or claim to employment shall be individual capacity or fitness to perform the service required with a greater net efficiency than any other candidate. It is suggested that the interest of the community requires the acceptance of these assumptions.

This brings us up against the demands of those who realise that this concentration of all the force of competition upon fitness

for the task will prevent the use of other means of securing preference for employment. The enforcement of uniform rates, operating as minima, will prevent, as we have seen, even where no specific qualification is required, the less efficient person for the particular task from ousting a more efficient person by offering to do the work at a much lower rate, or subject to deductions more than compensating for his or her inferiority. In this way, it must be admitted, the liberty of the less efficient will be restricted, just as it is by a law which prohibits the use of force or fraud to turn another person out of his place. But the restriction will only be, for the sake of the greater freedom to all, to the extent of preventing a usurpation of part of the domain of other persons—just as the rule of the road only checks the volition of the reckless driver to the extent of preventing him from diminishing the freedom of volition of all the other drivers. The liberty to get a job by offering to “work under price” is ruled out, just as we all try to rule out favouritism in making appointments in the interest of securing for each vacancy the most efficient candidate. How this purpose is promoted by the enforcement of uniform conditions and technical qualifications may be illustrated from the case of the Sanitary Inspectors. When these officers could be selected without any prescribed qualifications, men got appointments through all sorts of influences, on grounds of personal relationship, political partizanship, denominational or masonic connections, personal need, or even the burden of a large family. When it was made necessary that all candidates should have an identical professional qualification—a prescribed certificate of proficiency for the duties of the office—the candidates who relied on all the other claims found themselves precluded from applying. It cannot be denied that, to the great advantage of the public service, their freedom to compete for these particular situations was impaired. But they were allowed the same liberty as other men to compete in professional efficiency for the Sanitary Inspectorships; or to compete as they chose for the other situations which the newly-appointed Sanitary Inspectors had left vacant. What they were prevented from doing was impairing the liberty of the candidates who competed in respect of a particular professional qualification which it was deemed advisable to encourage. The freedom which the enforcement of uniform minimum rates promotes and positively maximises is the freedom of each person, male or female, tall or short, to get to the occupation for which that person has the greatest capacity, aptitude or fitness, measured by net productivity at the particular task. This maximising of freedom in the aggregate is still further promoted by the insistence on specific qualifications which it is open to all to obtain. All the individual volition that it restrains is the attempt to interfere with this freedom on the part of other persons by using, to oust them from a given job, other influences or induce-

ments than efficiency. Women have suffered too much interference of this kind with their own freedom to get to the occupations for which they are best fitted to wish to claim now the privilege of interfering with the like freedom of others.

THE EFFECT ON WOMEN'S EMPLOYMENT.

It has been suggested that the complete abandonment of the idea of a "woman's rate," and the resolute enforcement of uniform occupational rates, together with a uniform national minimum, will lead to the exclusion of all women from the better paid occupations, and even to their general exclusion from industrial employment. I find some difficulty in discovering the ground for this suggestion. In the one important industrial occupation in this country in which large numbers of women have long been employed at the same occupational rate as men, namely, cotton weaving, the result has been—notwithstanding Factory Act requirements of exceptional particularity, and an occupational rate in excess of the earnings of many men in other industries—a steady and long-continued increase in the proportion of women employed in the trade, in which the women now form three-fourths of a powerful mixed Trade Union. In other relatively well-paid occupations, such as waistcoat-making, and embroidery, and in the profession of sick nursing, women making higher earnings than many grades of men in other vocations have maintained almost a monopoly. The outcome of the adoption, during the past two or three decades, of an approximate uniformity of salary between men and women among the great body of primary school teachers in the United States has not been the ousting of women, but, on the contrary, a marked increase in the proportion of women so employed. In England and Wales the approximation to uniformity in the salaries of men and women sanitary inspectors has been coincident with a steady increase in the proportion of women in this growing profession. The same may be said of the general medical practitioners.

The difficulty of any forecast as to the effect of enforcing uniformity of rate, as an occupational minimum, for each vocational grade, irrespective of sex, is our ignorance of the extent to which, in particular occupations, any real difference, all things considered, in efficiency or in net productivity, is coincident with sex. If it is found, in any particular occupational grade, that the mass of women are distinctly inferior in net productivity, all incidental expenses being taken into account, to the common run of men whom the occupational rate attracts, the tendency will be, in such occupational grades, for the great part of the work to fall into the hands of men; but not to the exclusion of such exceptional women as may prove themselves to be, at these particular tasks, superior in net productivity to the average, or even to the least efficient man whom it is desired to employ. On the other hand,

if it is proved that in other occupational grades, the mass of men whom the occupational rate attracts are distinctly inferior in net productivity, all expenses being taken into account, to the common run of women, there will be a like tendency for the bulk of the work to be done by women, but not to the exclusion of such among the men who may be attracted by the rate as prove themselves to be equal, in net productivity, to the average woman. In so far as differences in efficiency for particular tasks prove to be generally coincident with differences in sex, there would accordingly tend to be, with uniform rates, a general segregation by sex, most men gravitating to the occupational grades in which they were superior to women, and most women to those in which they were superior to men, but with exceptions on both sides for individuals who had peculiar tastes or aptitudes or who were above or below the common run of their sex. There is no reason to regard this result as otherwise than advantageous to the community; and likewise, in its securing the most advantageous relation between productivity and the efforts and sacrifices involved, to all the persons concerned, not less so in the case of the women than in that of the men.

It may be objected that the expenses involved in a mixing of the sexes in a single occupational grade in any one factory would tend to make this segregation complete, by preventing the taking on of a small minority of exceptional individuals of other than the ruling sex. I suggest that this result will be rare, and will tend to disappear. In few factories of any size is there likely to be only one sex employed. In nearly all industries there are some kinds and grades of work in which women are, and are likely to continue to be, employed; and in the majority of cases the employment of women and girls in any part of the factory, on any kind or grade of work, will minimise the inconvenience and extra expense that might otherwise be involved in the intrusion of a few women in the man's part of the enterprise. But we need not ignore the probability that there may be some cases in which, as at present, the segregation by sex will be absolutely complete; and in certain industries we may conceivably have women's factories and men's factories.

THE EFFECT ON EMPLOYMENT OF YOUNG PERSONS.

Any provision for a national minimum, or for definite occupational rates, would need to have regard for the rates paid to "young persons," who may be defined as youths of either sex, exempt from full-time attendance at school, but not yet entitled to the prescribed wage for adults. The absorption of these young persons in wage-earning occupations, which has been increased by the war, has a very definite bearing on women's wages, because it is, to a large extent, with such young persons that adult women come directly into competition. It was, indeed, definitely suggested to the Committee, on behalf of the railway companies, that

it would be quite a proper thing to fix the wages for adult women in locomotive repair shops *at the same rate as that for lads*, namely, seven to ten shillings per week.*

I consider that it is essential, in the interest of the community, that the "young person" should be dealt with entirely as a future citizen, and not as an independent wage-earner. Any productive work by the non-adult should be, if not a part of his or her education, at least strictly subordinate to it. Such young persons will, henceforth, be, irrespective of sex, up to 18 at a continuation school for a prescribed number of hours per week, which we look to see progressively increased. Industrial employment outside these hours ought, it is clear, to be of an educational character, designed to equip the boy or girl for adult work. I suggest that where young persons are allowed to be employed in industry, there should normally be a definite obligation on the employer, if not in the nature of an apprenticeship, at any rate to provide a prescribed technological training. Where that is done, to the satisfaction of the Local Education Authority, and, as I would suggest, also to that of the Advisory Committee of the Employment Exchange, there is a case for the payment of lower rates than those prescribed for adult workers. Instruction forms part of the hire.

On the other hand, where no such obligation to give instruction is placed on the employer, and where no such instruction is, in fact, given—the youth being taken on only as "cheap labour"—I see no reason why anything less should be paid to youths of either sex than the equivalent of the national minimum for the hours actually spent in industrial work. The cost of food, clothing and lodging for growing boys and girls between 14 and 18 is practically no less than that of men or women of 21. Their other requirements in the way of recreation and pocket-money may be smaller, and there is less call on them to save; but, as they are legally prevented from giving full time, their earnings, even at an hourly rate equivalent to the national minimum, will anyhow be much less than those of an adult. I am, therefore, unable to agree with my colleagues in their suggestion that youths of either sex employed in occupations of no educational value should be paid at considerably lower rates—two shillings less than the basic rate for each year under 18—than those which they contemplate even for the unskilled adult. Such a provision is seen at its worst when boys and girls are kept on repetition work, of no educational value whatever, *of the same character as is elsewhere being done by adults*, at piece-work rates considerably less than those earned by the adults, so that the employer is actually getting the articles at a lower labour cost by means of this youthful labour, of which he is accordingly tempted to make ever-increasing use, to the manifest injury of the community. For this, as it seems to me, there is no sort of excuse. Any such pro-

* Statement of evidence of representative of the Railway Executive Committee, 9.12.10.

vision, whilst disregarding every public interest in the training of the future citizen, is but an opening of the door to "cheap labour" in derogation of the standard rate, to which the employer is not entitled.

THE EFFECT ON UNEMPLOYMENT.

We have, however, to consider the effect of the enforcement of a uniform national minimum and of uniform occupational rates upon unemployment.

We may note, to begin with, that there is nothing in the enforcement of uniform minimum rates over the whole field of industry, instead of leaving the wages of a considerable part of the manual workers to be regulated entirely by individual bargaining, that need to be expected to diminish the aggregate volume of employment. Apart from any sudden dislocation, which we may for the moment leave out of account, the substitution of uniform minimum rates in each occupational grade for individually fixed wages would not, in itself, be calculated to affect either the aggregate amount of demand for commodities and services, or—what is, indeed, the same thing—the aggregate amount of production, and therefore the aggregate demand for labour. Whatever changes might occur in the selling values of particular commodities would presumably be in opposite directions, according as the labour cost in those industries was raised or lowered. But any re-sorting of operatives that might take place among industries and services more strictly according to their efficiency at particular tasks—and such a re-sorting we have seen to be the general effect of enforcing uniform rates—would presumably tend to augment productivity and thus produce a general lowering rather than any general increase in the cost of production; and would tend, therefore, to an increase both in the aggregate volume of demand and in the aggregate number of persons employed.

What is always happening is a perpetual waxing and waning of particular industries, particular crafts and particular processes, either in this locality or that, or generally throughout a nation; and, consequently, a perpetual shifting of the rate of growth in the aggregate numbers employed in connection with each of them, which may occasionally, in particular cases, amount to decrease. The first effect is a shifting in volume in the aggregate daily recruitment to fill vacancies, with which we are not here concerned. But the alterations in the number of persons who can be employed in each industry, in each craft, or at each process, either in particular localities, or in the nation as a whole, often go beyond what can be adjusted by the contemporary variations in recruiting; and this leads to an actual dismissal of operatives, who are thereby thrown out of work.

When bad trade sets in, or any particular industry has to be restricted, there will be a certain percentage of workers selected to be turned off as unemployed. If the employer has inexorably

to pay the basic minimum wage and the standard rate, whatever individuals he employs, whether old or young, male or female, steady or "irregular," he will select for dismissal those who, relatively to the rest, are on the whole the least efficient. This is exactly what, in the interest alike of the community as a whole and of the wage-earning class, we want him to do. If only part of the operatives can be employed, it is the most efficient who should be retained. It may be that, of the undifferentiated common labour to whom the employer pays the basic minimum wage, he will retain longest the most capable workers in the prime of life, discharging first the unsteady and inefficient of either sex, the elderly, then in certain occupations, even most of the women. Of the workers to whom the employer is paying the standard rate, it may be that in particular occupations he will prefer to discard first the majority of the women, regarding the men, for the most part, as being more efficient. Thus, if women enter upon occupations in which the majority of them are less efficient than the majority of men, and if they get there the same piecework rate as the men, it is probable that the brunt of the burden of unemployment in such occupations may fall upon the women. On the other hand, in other occupations in which the majority of the men whom the occupational rate attracts are, taking all things into account, less efficient than the common run of women in the occupation in question, it is probable that the brunt of the burden of unemployment will fall on the men. In either case, it will be, if uniform rates are maintained, irrespective of sex, those whom the employer regards as, on the whole, the least efficient who will be first dispensed with when the volume of demand falls off. This, it need hardly be said, is exactly what, in the interests of maximum production, is what is desirable. If in any industry, in any locality, or in the nation as a whole, a smaller number of persons can be continued in employment, and some have to stand temporarily idle, it is obviously desirable that it should be, in each case, the most efficient who remain at work, and the least efficient who are set at liberty.

We have here, it will be noted, an emphatic confirmation of the rightness of insisting on the payment to young persons of either sex of the same hourly or piece rates as for the unskilled adult. If, as is often suggested, the employer is allowed to employ boys and girls of 14 to 18 at lower hourly rates than he is paying to his least skilled adults—especially if he is actually getting from such youths the same kind of work as from adults at piecework rates markedly lower—he will, whenever there is a contraction of business, infallibly dismiss the adults in preference to the boys and girls. This actually happens, in fact, in times of industrial depression. Yet can anything more ridiculous be imagined than the fathers being driven to walk the streets in search of work, whilst their sons and daughters continue to be employed

at lower rates? It is obvious that, in any well-ordered community—if it puts its boys and girls to non-educational work at all—it is the young people who would be the first to be withdrawn from industrial work, whenever there is less of this to be done, so that these young persons may take advantage of the interval for educational purposes. Put practically, it is much easier to provide for young persons in unemployment than for adults.

I see no reason to assume, taking all occupations together, that it will be the women, as a whole, who will be found to be the least efficient workers; or that the enforcement of uniform rates will lead to any larger proportion of the four or five million women employed in industry and services (other than domestic) being at any time unemployed than of the nine or ten million men. But if a general contraction of industry throughout the community—such, for instance, as now occurs in the periodical years of “slump” in trade—should involve, with the enforcement of uniform rates, the throwing out of work of a larger proportion of women than of men, there would be some compensating advantages. Assuming, as we now may, that adequate and satisfactory public provision is made for the involuntarily unemployed, temporary unemployment involves, to a woman, usually less suffering and less danger of demoralisation than to a man. She has nearly always domestic work with which to occupy herself usefully. She can be much more easily provided for by enabling her to improve her qualifications in domestic economy, than an unemployed man can be found any other occupation than the demoralising and costly relief works. And there is another economic ground for not deploring the possibility that women might conceivably come to be periodically unemployed for a larger proportion of the time that they give to industrial wage-earning than the men may come to be.

This economic ground is the greater cheapness of providing for the unemployed women than for the unemployed men.

PUBLIC PROVISION FOR THE UNEMPLOYED.

This consideration becomes now of great importance in view of the new attitude adopted by the Government, Parliament and public opinion, towards involuntary unemployment. We have slipped almost unawares into the position of having to find complete maintenance for all those persons for whom the Employment Exchange cannot discover an appropriate situation vacant. At the present moment, what with the extended scope of Unemployment Insurance, the provision for the demobilised army, and that for the discharged civil war workers, probably three-quarters of the whole wage-earning population is entitled, when unemployed, to State Unemployment Benefit. Nor can this be regarded as merely transient. We see no chance of the scope of this provision being narrowed. The definite adoption by the

Government of the proposals of the Local Government Committee of the Ministry of Reconstruction with regard to the abolition of the Poor Law, necessarily involve the assumption of this responsibility by the Ministry of Labour. Whether the provision is made by some scheme of insurance to which the Government makes a contribution not statutorily limited in amount (as under the National Insurance Act, Part II., as subsequently amended); or whether, as in the present temporary provision for demobilisation, the State Unemployment Benefit is provided directly by the Exchequer, it may, we think, be taken as settled that every person for whom a vacancy cannot be found, which that person can and ought to fill, whether owing to general depression of trade or to a contraction in a particular industry, will henceforth have to be provided with maintenance at the public expense. It becomes, therefore, of great financial importance, not only to the community as a whole, but actually to the National Exchequer, not merely that employment should at all times be found for the largest possible proportion of citizens, and that it should be made, as far as practicable, everywhere continuous, but also, when from time to time involuntary unemployment has not been prevented by the Government, that those grades or classes of persons should be first dispensed with who can be most economically maintained in unemployment, and most advantageously provided for whilst unemployed. This consideration cannot fail to have an important bearing on the proposal for uniform occupational rates, and a uniform national minimum. Even if Unemployment Benefit is given at equal rates for men and women, without any consideration of the higher occupational rates at present earned by most men, the provision of relief works for men, if these have to be resorted to, is, as we have already suggested, much more costly than the provision of domestic economy classes for women. Moreover, as things are, the children of the unemployed have also to be maintained at the public expense in one form or other; and male wage-earners have undoubtedly on an average many more dependent children than female wage-earners, as the Chancellor of the Exchequer found, to his cost, in the Demobilisation Unemployment Benefit of 1918-19. There is accordingly every reason for the Treasury to wish that it were possible—whenever the Government has failed to prevent the occurrence of unemployment, and has fallen back on the most costly plan of providing maintenance for the unemployed—that the whole of these should be women, who can be periodically unemployed for a spell with much less expense, as well as much less detriment to national well-being, than the men can be.

THE EFFECT ON THE INEFFICIENT.

One of the most important social reactions of the resolute enforcement of uniform minimum rates is, we believe, its continuous influence on the relatively inefficient. From the standpoint of pro-

moting the maximum efficiency of production we have seen that it must be counted to the credit of the enforcement of uniform minimum rates that it is always compelling the employer to pick his workers for quality; and in his filling of vacancies to strive, as he cannot get a "cheap hand," to obtain for the price that he has to pay, greater skill or strength, a higher standard of sobriety and regular attendance, and a superior capacity for responsibility and initiative. The fact that the employer's mind is thus set on getting the best possible workers silently and imperceptibly reacts on the wage earners. The younger workers, knowing that they cannot secure a preference for employment by offering to accept a wage lower than the standard, seek to command themselves by good character, technical skill and general intelligence. I regard this, in the case of women, as of the greatest importance, which will be further intensified by the requirement of technical qualifications for entrance to the several occupational grades. The notion that women can gain admission to relatively well-paid industrial occupations and professional services, if only they can make themselves as efficient as those who now fill such places; and that, in fact, women may even find difficulty in gaining employment at all in any desired occupation unless they are up to a certain level of efficiency, would, I believe, rapidly work marvels in inducing girls and their parents to take seriously the question of technical training or apprenticeship. I can imagine nothing better calculated to cause a rapid and continuous advance in the general efficiency of women than this effect upon their minds of the enforcement of uniform rates, especially where specific qualifications are also required, and—as we must add—the higher level of physical and mental efficiency likely to be promoted by a sufficiency of food.

But we cannot ignore the fact that there are, and must always be, some among the women, as among the men, who will be found markedly inferior in efficiency even for the lowest grades of work. There are the physical weaklings and the crippled. There are the feeble-minded and the morally depraved. The "halt, the lame and the blind" are always with us. Their case is nowadays brought sympathetically before us in the persons of the partially disabled soldiers, whom we all want to help into industrial employment. What is to be the position of such relatively inefficient persons under legally enforced minimum conditions of employment?

We see the problem dealt with by the action of the Ministry of Pensions with regard to the settlement in industry of the disabled soldiers, and that of the Director-General of Demobilisation and Employment with regard to the demobilised army. There is no attempt to displace or evade the standard rate. Any employer who thinks that he can employ ex-soldiers under price finds himself sternly rebuffed. But where there is a demonstrable and definite special disability the man is permitted to accept employ-

ment at a prescribed deduction from the standard rate, each case being adjudicated on by a local committee jointly representative of employers and employed. A similar system of "permits," where a distinct and demonstrable disability is proved, has long been employed in connection with the legal minimum rates of wages fixed under the Trade Boards Act, and it has been found to work very satisfactorily. Trade Unions often adopt a similar procedure with regard to their own members who are disabled from earning the standard rate.

I may add that when it is a question of a "permit" to enable an employer to engage a worker of special disability, not at less than the occupational or standard rate, but actually at some deduction from the prescribed national minimum, which secures no more than the requisites of healthy citizenship, the question arises of how is the worker in question to live. In the case of the partially disabled soldier the answer is plain. The Minister of Pensions sees to it that he has, apart from his earnings, not only all the necessary medical and surgical treatment, and educational training that his condition requires, but also a pension from national funds equivalent to the extent of his disability. I cannot refrain from the suggestion that there is a like economic justification for the provision from national funds for workers, whether women or men, whose special disability to earn even the basic national minimum is officially recognised by the grant of "permits" to accept specific deductions from the amount prescribed as requisite for healthy maintenance, not only of any medical or surgical treatment and educational training that their condition requires, but also—at any rate for those among them who have no other resources—pensions proportionate to their industrial disability. It will be noted that this has already been adopted in principle by the announcement as to the new State provision for the indigent blind.

It may be objected that these suggestions afford no way of dealing with the malingering, or the man who habitually refuses to work, or he who is constitutionally a vagrant. It does not fall within the scope of the Committee to deal with all these problems, which have been explored by other investigators and made the subject of elaborate reports.* But I may observe that the principal difficulty in dealing with such classes has always been the lack of any such systematic organisation of the labour market as would enable them to be offered definite employment on terms commonly recognised as satisfactory. It is significant that when, during the war, the demand for labour became really keen, practically the whole class of vagrants, including those habitually regarded as "workshy," found steady employment, not in the army, for which they were mostly physically unfit, but in remunerative industry. I do not assert that the constant ability of the Employ-

* See *Unemployment*, by Sir William Beveridge; the *Public Organisation of the Labour Market*, by S. and B. Webb; and the Reports of the Poor Law Commission, 1909.

ment Exchange to offer a situation at the standard rate to every man or woman suspected of this sort of malingering would solve all problems, though I believe that it would go far. The difficulty of adopting other measures for the treatment of those who will not work lies in the fact that we do not, as yet, make the engaging in a productive occupation a universal duty. I draw attention to this point, because I feel that it will be impossible to adopt proper measures of treatment of "the workshy," until the community makes it a matter of legal obligation that every adult not mentally or physically disqualified should, irrespective of means, be engaged in "work of national importance"—the sanction being the obvious one of withdrawing, after due warning, the income which makes it possible for such persons to live on the labour of others.

THE PROVISION FOR DEPENDENTS.

It will have been seen that the whole argument for a prescribed national minimum and for occupational rates has no reference to any provision for dependents. I see no possibility of making any such provision by means of wages varying in amount according to the actual family obligations of the persons concerned. The employers will not listen to any genuine apportionment of wages according to the number of dependents, because they necessarily insist on limiting the amount that they pay to each operative to the value to themselves of the service performed, and this bears no relation whatever to the number and the costliness of the persons dependent on the several operatives. The organised wage-earners are even more recalcitrant, because any differentiation of wage-rates according to the family obligations of particular operatives must necessarily destroy the standard rates of remuneration for effort on which collective bargaining depends, and with these standard rates and other common rules would eliminate the only lever for a progressive participation in the control of the industries and services in which they spend their working lives. The community could not sanction any such proposal, because it would inevitably lead to the selection, not of the persons who were most efficient for the several tasks, but of those who had the fewest dependents, and whose labour would thus be the cheapest to the employer. This would result, not only in a great decrease in national productivity, owing to the substitution of the less for the more efficient, but actually in the fathers of families being ousted from employment in favour of unmarried men and women. The statesman would be equally unwilling to accept a proposal which, by directly penalising, in the competition to fill vacancies, those candidates who had "encumbrances," could not fail very seriously to accelerate the diminution in the birth-rate.

It is essential, in order to clear the issue, that we should understand precisely what is meant by family obligations. In addition to children, many wage-earners of either sex support, wholly or

in part, an invalid wife (or husband), a superannuated father or widowed mother, an orphan brother or sister, aged grandparents, uncles and aunts, often more distant relations and, indeed, in some cases, friends who are crippled or in distress. I do not mention the housekeeping wife because I suggest that she should not be counted as a financial burden on the wage-earning husband. The domestic services that the housekeeping wife renders to her husband—important and valuable as they are—do but correspond with those for which the unmarried man has normally to pay in his outlay on board, lodging, washing and mending, and which the woman wage-earner has equally either to pay for, or else to perform for herself at no less a cost in efforts and sacrifices. If the homekeeping wife has also children to care for, a portion of her maintenance—in so far as she is not housekeeper and domestic servant to her husband—must be deemed to form part of the cost of maintenance of the children, to be provided in whatever way their food and clothing are paid for.

Now, the family obligations with regard to parents and grandparents, brothers and sisters, more distant relations and friends, are common to the wage-earners of either sex. It is, indeed, a moot point whether, taking them all together, they amount to more in the case of men than they do in the case of women. It has, for instance, been suggested that wage-earning women, as a whole, pay more towards the support of their parents and other relatives than wage-earning men do. But I suggest that provision for indigent relations ought not to be an individual or family obligation at all, whether the burden falls upon men or on women. It is not desirable that one adult should be dependent on another adult for maintenance any more than for medical assistance. The necessary provision for the aged, the infirm and the sick is a matter of national obligation, to which the sufferer should have a right, independent of the volition of any other person, whether a relative or not. This national obligation is now recognised, though as yet only imperfectly, by the various systems of superannuation, by the Old Age Pensions Act, by the National Insurance Act, by the provision for adult dependents under the War Pensions Act, and by the developments promised under the new Ministry of Health. I propose that this provision should be systematised and completed.

I suggest that in the adoption of any principle whatever for the determination of wages, not merely between men and women, but between any other sections of the wage-earning population, the community must face the necessity of seeing that adequate provision is made for children, not by statistical averages, but case by case.* The "average" family is, of course, merely a con-

* The case was put to the Committee with some indignation by a woman engine cleaner on the North-Eastern Railway Company, getting 12s. 6d. per week less war bonus than the men. "We give," she said, "more satisfaction than the men. We

venient figment of the statisticians, and does not exist in fact. If provision is made in one way or another for three children, this is very far from securing enough food and adequate conditions of nurture for those households in which there are for years in succession four, five or more children dependent. The nation cannot be satisfied, any more than the children can, with a family or household "average" of rations for the rising generation. Each individual baby has got to be adequately and satisfactorily provided for. This cannot be done under any system of wages; nor can the adoption of any conceivable principle as to the relation between men's and women's wages achieve this end. In the actual course of nature the distribution of children among households varying from none to a dozen or more; the number who are simultaneously dependent on their parents varying from one to more than half a dozen; and the time in each family over which this burden of dependent children extends varying from a year or two to ten times that period—bear, none of them, any relation to the industrial efficiency either of the father or of the mother; or to the wage that either or both of them could obtain through individual bargaining by the higgling of the market; or yet to any actual or conceivable occupational or standard rates to be secured for them either by collective bargaining or legislative enactment.

These facts become to-day of grave social importance in view of the continuous and rapidly accelerating fall in the birth-rate—a fall plainly differential in its incidence in all classes as between the thrifty, prudent and thoughtful on the one hand, and on the other, those of more casual life. In view of the narrow penury of the great mass of the households of the nation; in view, moreover, of the relatively low rate at which any national minimum is likely, at least for some years, to be fixed, I can see no practical way of ensuring anything like adequate provision for all the children that are born, or all that the community would wish to have born, except by some much more considerable national endowment than can be contemplated in any extension of the present maternity benefit. I think that if the nation wishes the population of Great Britain to be maintained without recourse to alien immigration on a large scale, it will be necessary for the State to provide, through the parents, for the maintenance of the children during the period of their economic dependence. A children's allowance on the scale of the present separation allowance, payable to the mothers in all the households of the United Kingdom, would cost

have been told times out of number we do more than they do and much better too . . . and we have the same responsibilities. I have exactly the same and more than what a single man would have. I am a widow with six children to support, and I have got more responsibility than a single man would have doing the same work, and he would get more money than I do." *Shorthand Notes of Evidence*, 16.12.18.)

We heard the same from employers. "One woman came to me a little while ago," said the manager of a metal works, "and she said that it was an outrageous thing that she should only have the same money as the other girls; not one was married, and she had five children" [dependent on her.]

something like 250 millions sterling annually, which (as may be mentioned by way of comparison only) would be equal to about a half of the proceeds of the existing Income Tax, Super-tax, and Excess Profits Duty.

It has been suggested that this charge might be thrown, at any rate in part, upon employers of labour by a weekly stamp duty analogous to the charge under the National Insurance Acts, of an identical sum for each person employed, of whatever age or sex. The proceeds, including possibly a Government subvention sufficient to cover the average periods of unemployment, sickness or other "lost time"—seeing that there must obviously be no corresponding interruption in the children's maintenance—could then be distributed, subject to the necessary conditions, at the rate of so much per week per child, through the local health or local education authorities, to all mothers of children under the prescribed age.

Such a method of raising the funds would, however, have various economic drawbacks, and would probably be resented by organised labour no less than by the employers. It would, I think, be better for the Children's Fund—the "bairns' part" in the national income—to be provided from the Exchequer (that is to say, by taxation) like any other obligation of the community.

I recognise that a "Children's Fund" of this nature does not fall within the scope of this Committee, and I only make the suggestion in order to illustrate what is involved in any proposal for a national minimum based only on the cost of full citizenship for a single adult.

THE BETTER DISTRIBUTION OF THE NATIONAL PRODUCT ACCORDING TO THE EFFORTS AND NEEDS OF INDIVIDUAL CITIZENS.

Finally, we have to consider how far the community can afford to pay the national minimum and the occupational rates to which our principles may lead us. We have seen that there is neither justice nor economic expediency—indeed, no possibility—of determining occupational rates by those paid in other countries, or of seeking to standardise them by considerations of foreign competition. What is clear is that no more can be paid in wages and salaries than the community itself produces—no more, indeed, than its aggregate net product, after making all necessary deductions for depreciation, provision of whatever additional capital is required, and expenses of every kind. It will thus be apparent that any enquiry into what may be the necessary limit to occupational rates, still less any attempt to reduce to order the existing chaos, and to bring about a closer correspondence between the several rates and the respective efforts and needs, could not stop at those of the manual workers alone. The whole army of teachers, clerks, scientific workers, ministers of religion, and minor officials of the Public Departments and local authorities—now ap-

proaching, in the aggregate, a million in number—are at least equally concerned. Moreover, it would scarcely be possible to draw a line between different occupational rates, so that the scales of salaries of bishops, judges and generals would come equally under consideration with those of curates, policemen, and private soldiers. But this is not all. No small part of labour unrest, and of the indignation about wages, is due to the resentment felt at the profits, possibly exaggerated by rumour, which particular classes of business men and particular individuals are able to take for themselves. We need not necessarily conclude that these profits are in any given case in excess of what would be justified in comparison with other occupational rates, in relation to the efforts and needs of the persons concerned. But it would plainly be impossible to undertake the enquiry into how to bring about a closer correspondence between incomes and efforts and needs—still less to prove that particular occupational rates were unduly high—without bringing equally under review all the personal incomes of the nation, including those which the Commissioners of Inland Revenue class as unearned. I suggest, indeed, that the nation's maximum productivity will not be secured until it is demonstrated that the entire net product is being distributed, with due regard to relative efforts and needs, in such a way as to confer the utmost benefit upon the community as a whole, and therefore upon each class within it.

SUMMARY OF CONCLUSIONS.

1. That the existing relation between the conditions of employment of men and women, whether in manual labour or in the brain-working occupations, is detrimental to the personal character and professional efficiency of both sexes, and inimical alike to the maximum productivity of the nation and to the advancement of the several crafts and professions.

2. That the exclusion of women by law or by custom, from the better paid posts, professions and crafts, has driven them to compete with each other, and with men, in the lower grades of each vocation, where they have habitually been paid at lower rates than men for equivalent work, on the pretence that women are a class apart, with no family obligations, smaller needs, less capacity and a lower level of intelligence—none of these statements being true of all the individuals thus penalised.

3. That, for the production of commodities and services, women no more constitute a class than do persons of a particular creed or race; and that the time has come for the removal of all sex exclusions; for the opening of all posts and vocations to any individuals who are qualified for the work, irrespective of sex, creed or race; and for the insistence, as minima, of the same qualifications, the same conditions of employment, and the same occupational

rates, for all those accepted by the private or public employers as fit to be engaged in any particular pursuit.

4. That the popular formula of "Equal Pay for Equal Work," or, more elaborately, "Equal Pay for work of Equal Value in Quantity and Quality," whilst aiming at the expression of the right ideal, is so ambiguous and so easily evaded as not to constitute any principle by which the relation between men's and women's wages can be safely determined.

5. That the essential principle which should govern all systems of remuneration, whether in private industry or in public employment, in manual working as well as brain working occupations, is that of clearly defined Occupational or Standard Rates, to be prescribed for all the persons of like industrial grade; and, whether computed by time or by output, to be settled by collective agreement between representative organisations of the employers and the employed; and enforced, but as minima only, on the whole grade or vocation. There is no more reason for such Occupational or Standard Rates being made to differ according to the workers' sex than according to their race, creed, height or weight.

6. That in the interests alike of maximum productivity and race preservation, it is imperative that a National Minimum should be prescribed by law and systematically enforced, in respect, at least, of rest-time, education, sanitation and subsistence, *in which National Minimum there should be no sex inequality*; and that the present unsystematic, uneven, and patchwork provisions of the Factory, Education, Public Health, Insurance and other Acts, in which the policy of the National Minimum has been so far empirically embodied, urgently need to be replaced by a comprehensive codification, equally applicable to all employments, and to the various requirements, including a legal minimum of weekly wages for the whole Kingdom based on the price of full subsistence below which no adult worker free from specific disqualification, should be permitted to be employed. These legal minimum conditions of employment and unemployment should be identical for men and women.

7. That there seems no alternative—assuming that the nation wants children—to some form of State provision, entirely apart from wages, of which the present Maternity Benefit, Free Schooling and Income Tax Allowance constitute only the germ. The assumption that men, as such, must receive higher pay because they have families to support; and that women, as such, should receive less because they have no such family obligations, is demonstrably inaccurate to the extent of 25 or even 50 per cent.; and if wages were made really proportionate to family obligations, it would involve a complete revolution in the present methods of payment; it would be incompatible alike with Collective Bargaining and with any control by the workers over their conditions of

employment; and it would lead to a disastrous discrimination against the married man or woman, and still more against parentage. This question of public provision for maternity and childhood urgently requires investigation by a separate Committee or Commission.

8. That the chaos into which the war has thrown not merely the wages of men and women, but also the various occupational rates throughout industry and, indeed, the wages and salaries of all grades of producers of commodities and services—resulting in gross inequalities, and a serious lack of correspondence between incomes, efforts and needs—is not only a cause of hardship and discontent but also has a detrimental influence on national production; that what is required is a closer general approximation in all classes of society, of incomes to efforts and sacrifices, and this calls for a Royal Commission of enquiry into the sharing of the national product among classes, industries and individuals, in order that not only the maximum productivity of industry in the future, but also the maximum personal development of the citizens, and the improvement of the race, may be better secured than at present.

APPENDIX I.

THE RECOMMENDATIONS OF THE MAJORITY OF THE COMMITTEE.
(pp. 4-7 of Cmd. 135.)

RECOMMENDATIONS AS TO PRINCIPLES THAT SHOULD GOVERN FUTURE RELATION BETWEEN MEN'S AND WOMEN'S WAGES.

The Committee's conclusions are contained in Chapters V. and VI. of Part II. and at the end of Part III. Their recommendations can be conveniently summarised here, and as regards the principles that should govern the future relation between men's and women's wages (Chapter VI. of Part II.) are as follows :—

(1) That women doing similar or the same work as men should receive equal pay for equal work in the sense that pay should be in proportion to efficient output. This covers the principle that on systems of payment by results equal payment should be made to women as to men for an equal amount of work done.

(2) That the relative value of the work done by women and men on time on the same or similar jobs should be agreed between employers and Trade Unions acting through the recognised channels of negotiation, as, for instance, Trade Boards or Joint Industrial Councils.

(3) That where it is desired to introduce women to do the whole of a man's job and it is recognised that either immediately or after a probationary period they are of efficiency equal to that of the men, they should be paid either immediately or after a probationary period, the length and conditions of which should be definitely laid down, the men's time rate.

(4) That where there has been sub-division of a man's job or work without any *bona fide* simplification of processes or machine and a woman is put on to do a part only of the job or work, the wages should be regulated so that the labour cost to the employer of the whole job should not be lessened while the payment to the persons engaged on it should be proportioned to their respective labour contributions.

(5) That where the introduction of women follows on *bona fide* simplification of process or machine, the time rates for the simplified process or simplified machine should be determined as if this was to be allocated to male labour less skilled than the male labour employed before simplification, and women, if their introduction is agreed to, should only receive less than the unskilled man's rate if, and to the extent that, their work is of less value.

(6) That in every case in which the employer maintains that a woman's work produces less than a man's, the burden of proof should rest on the employer, who should also have to produce evidence of the lower value of the woman's work to which the fixed sum to be deducted from the man's rate for the particular job throughout the whole of the industry should strictly correspond.

(7) That every job on which women are employed doing the same work as men for less wages should be considered a man's job for the purpose of fixing women's wages, and the wages should be regulated in the manner above recommended.

(8) That the employment of women in commercial and clerical occupations especially requires regulation in accordance with the principle of "equal pay for equal work."

(9) That in order to maintain the principle of "equal pay for equal work" in cases where it is essential to employ men and women of the same grade, capacity and training, but where equal pay will not attract the same grade of man as of woman, it may be necessary to counteract the difference of attractiveness by the payment to married men of children's allowances, and that this subject should receive careful consideration from His Majesty's Government in connection with payments to teachers to which the Government contribute.

(10) That the principle of "equal pay for equal work" should be early and fully adopted for the manipulative branches of the Civil Service and that in the case of Post Office duties, the question of the men having late hours or night work should be provided for by an extra allowance to persons undertaking common duties under disagreeable conditions.

(11) That this principle with regard to allowances to persons undertaking common duties under disagreeable conditions should be applied also to industry.

(12) That if the Treasury enquiry advocated by the Royal Commission on the Civil Service with the object of removing inequalities of salary not based on differences in the efficiency of the services has not yet been held, it should be put in hand with the least possible delay.

(13) That the separate grades and separate examinations for women clerks in the Civil Service should be abolished, but that the Government Departments should retain within their discretion the proportion of women to be employed in any branch or grade.

(14) That the Government should support the application to industry of the principle of "equal pay for equal work" by applying it with the least possible delay to their own establishments, and that as soon as any relation between the wages of men and women in any occupation or job has been agreed between employers and Trade Unions acting through the recognised channels of negotiation, the maintenance of that relation should be a condition of any Government contract involving the employment of workpeople in that occupation or job.

RECOMMENDATIONS AS TO PRINCIPLES THAT SHOULD GOVERN FUTURE EMPLOYMENT AND WAGES OF WOMEN.

The Committee's recommendations as regards the principles that should govern the future employment and wages of women (Chapter V. of Part II.) are as follows :—

(15) That in those trade processes and occupations which the experience of the war has shown to be suitable for the employment of

women, employers and trade unions acting through the recognised channels of negotiation should make possible the introduction of women by agreements which would ensure, in the manner above indicated, that that this did not result in the displacement of men by reason of the women's cheapness to the employer.

(16) That with a view to improving the health and so increasing the efficiency of women in industry—

- (i) there should be a substantial reform and extension in scope of the Factory and Workshops Acts, with special reference to (a) the reduction in the hours of work (including arrangement of spells and pauses, overtime, night work); (b) the provision of seats, labour-saving devices, &c., to avoid unnecessary fatigue; (c) an improved standard of sanitation (sanitary conveniences, lavatories, cloakrooms, &c.), ventilation and general hygiene; (d) the provision of canteens, rest-rooms and surgeries; (e) the general supervision of the health of the workers individually and collectively; and (f) the conditions under which adolescents should be employed;
- (ii) the present Factory Medical Department at the Home Office should at once be strengthened by the appointment of an adequate and suitable staff of women medical inspectors of factories and that a suitable increase should be made to the present staff of lay women factory inspectors;
- (iii) a local factory medical service should be established with duties of supervision, investigation and research intimately co-ordinated with the School Medical Service under the Local Education Authority, the Public Health Service under the Local Sanitary Authority, and the Medical Service under the National Insurance Act or Ministry of Health when established.

(17) That the Ministry of Labour, with which should rest the duty of ascertaining both nationally and locally the demand for trained persons in any trade or occupation, should, through Central and Local Trade Advisory Committees, assist Local Education Authorities in determining the technical instruction which should be provided for women.

(18) That in order to secure and maintain physical health and efficiency no normal woman should be employed for less than a reasonable subsistence wage.

(19) That this wage should be sufficient to provide a single woman over 18 years of age in a typical district where the cost of living is low with an adequate dietary, with lodging to include fuel and light in a respectable house not more than half an hour's journey, including tram or train, from the place of work, with clothing sufficient for warmth, cleanliness and decent appearance, with money for fares, insurance and Trade Union subscriptions, and with a reasonable sum for holidays, amusements, &c.

(20) That there should be additions to this wage for women working in the larger towns and in London to cover the greater cost of living there.

(21) That this wage should be adjusted periodically to meet variation in the cost of living.

(22) That the determination of the basic subsistence wage should be by a specially constituted authority which should also determine variations from it to meet the conditions of different districts and of different times or in rare cases special conditions of trade.

(23) That the subsistence wage so determined should be established by statute to take effect immediately on the expiry of the Wages (Temporary Regulation) Act, 1918, or any prolongation of it, and to apply to the employment for gain in all occupations (other than domestic service) for which a minimum wage has not been determined by an Industrial Council or by a Trade Board or other Statutory Authority.

(24) That the Government should give consideration to the question of adopting a scheme of mothers' pensions for widows and for deserted wives with children, and for the wives with children of men physically or mentally disabled, such pensions to be granted only after investigation where there is need and subject to supervision, and otherwise to be administered on the lines followed for pensions granted to the widows of men deceased in war.

(25) That the Department or Departments of Government concerned should draw up for the consideration of the Government a scheme by which the entire direct costs involved by the lying-in of women under thoroughly satisfactory conditions should be provided by the State.

(26) That a scale of wages should be established for girls 2s. a week less than the women's subsistence wage, for each year under 18, and that no girl should be employed for gain at lower rates than those of this scale unless a duly constituted authority, such as a Trade Board or Industrial Council, fixes such lower rate where the employment is in the nature of an apprenticeship. Also that the question of girls and boys under 16 working on piece should be specially considered by the Department or Departments of Government concerned with a view to the definite abolition of such working if it is found to be detrimental to health.

(27) That the Government should continue to give the strongest possible support to proposals for the international regulation of labour conditions, which should lessen the danger of the foreign trade of this country being injured as a result of the employment of underpaid labour abroad.

RECOMMENDATIONS ARISING OUT OF ALLEGATIONS AS TO NON-FULFILMENT OF GOVERNMENT PLEDGES.

In connection with the doubts and difficulties that arose with regard to the fulfilment of the Treasury Agreement (Part III.), the Committee strongly recommend :—

(28) That whenever industrial questions directly or indirectly affecting the interests of women are discussed under the auspices of a Government Department, that Department should be responsible for seeing

that there are women present who can adequately represent these interests.

(29) That the Department or Departments that make contracts on behalf of the Government should place the Ministry of Labour in a position to exercise on their behalf through the Ministry's local officers some supervision over the due carrying out of the conditions of the Fair Wages Clause, and that the Ministry should undertake this supervision.

(30) That the assistance of expert draftsmanship should always be available to those negotiating important industrial agreements.

(31) That in all cases in which agreements are entered into between employers and Trade Union representatives under the auspices of a Government Department, copies of any shorthand notes that may have been made should be supplied to the parties concerned for record.

APPENDIX II.

THE CONCLUSIONS OF MRS. SIDNEY WEBB WITH REGARD TO THE GOVERNMENT PLEDGES AS TO THE WAGES OF WOMEN ENGAGED IN WAR WORK PREVIOUSLY DONE BY MEN.

My conclusions upon this part of the reference to the Committee may be summarised as under (pp. 255 of Cmd. 135):—

1. The Treasury Agreement of 19th March, 1915, embodied a pledge that the women employed in war work in substitution of men should receive the same pay as the men they replaced.

2. This pledge was applicable without exception to all kinds of war work, whether done by contractors or in any Government Department; to all degrees of skill, and to all methods of computing wages, including time, piece and premium bonus, and to allowances and advances.

3. This pledge has been wholly ignored by some Government Departments, and only fulfilled by others tardily and partially, to the great loss of the women concerned.

4. No Government Department has carried out the pledge in its entirety. All of them (including the Ministry of Munitions) have failed in two points of first-rate importance, affecting many thousands of women:

- (a) Where women have been employed at time rates they have—with the curious exception of women taking the place of skilled men within the sphere of the Ministry of Munitions—been denied the same pay as the men they have replaced.
- (b) But the most flagrant breach is the repeated refusal of all the Government Departments to concede to the women employed in substitution for men, whether skilled or unskilled, whether at piece work, the premium bonus system, or time wages, the successive advances granted to the men doing similar work—thus failing to carry out not only the Treasury Agreement, but also the interpretation authoritatively given by Mr. Lloyd George on 26th March, 1915 (which is accepted in the Majority Report as being an independent pledge by which the Government is bound), “that if the women turn out the same quantity of work they will receive exactly the same pay.”

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